

# IDAHO EMPLOYMENT

*A monthly newsletter of the Idaho Department of Labor*



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*Award-Winning Newsletter*

January 2003 Issue/Year-in-Review Data

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### 2002 REVIEWED

As a new year begins, the tradition of an annual review continues. This newsletter is dedicated to reviewing important economic events of 2002. Since information continues to be gathered for the year and only limited statistics are available, preliminary labor force numbers were annualized on a 12-month rolling average from December 2001 to December 2002. The number of Nonfarm Payroll Jobs was estimated through November based on January through June employment and the monthly sampling of businesses. Total Nonfarm Payroll Jobs was then projected through the end of the year using typical monthly links or five-year average changes and is adjusted for area economic activity. The State Year In Review begins on page 2.

## State Overview

State Tables comparing October to November nonfarm payroll data and economic indicators can be found in the FYI section on pages 39 and 40.

### IDAHO'S UNEMPLOYMENT RATE INCREASES TO 5.8 PERCENT

Idaho's seasonally adjusted unemployment rate for November 2002 was 5.8 percent, up four-tenths of a percentage point from October. The November rate was five-tenths of a percentage point above the 5.3 percent rate experienced one year ago, and two-tenths of a percentage point below the national unemployment rate. The national unemployment rate also rose three-tenths of a percentage point to 6.0 percent, seasonally adjusted, in November. The national rate for November was four-tenths of a percentage point above November 2001.

An increase in the unemployment rate from October to November is not unusual, historically. Unfortunately, Idaho has experienced a higher monthly unemployment rate in 2002 than in prior years. The number of unemployed persons increased to 40,000 in November, up 2,700 from October. The number of employed persons decreased by 3,600 to 646,200. These changes resulted in a *Civilian Labor Force* of 686,200 in November, down 900 from October 2002.

The changes from November 2001 show that Idaho's labor force has decreased 5,200 persons, or 0.8 percent. From one year ago, the number of persons employed was down 8,500, or 1.3 percent, and the number of persons unemployed increased by 3,300, or 9.0 percent.

### Area and County Labor Force Developments

Five counties experienced double-digit unemployment rates in November: Adams at 14.8 percent was up 1.8 percentage points from October, Clearwater at 13.9 percent was up 1.8 percentage points from October, Payette at 12.6 percent was up 3.0 percentage points from October, Washington at 12.0 percent was up 1.9 percentage points from October, Idaho at

This edition of *Idaho Employment* includes an abbreviated State Overview of recent developments, but its emphasis is on projected data and year-in-review analysis of the state and the six labor market areas.

The February issue will resume with the normal *Idaho Employment* monthly update information.

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10.1 percent was up 1.4 percentage points from October, Shoshone at 10.1 percent was up 1.5 percentage points from October, and Benewah at 10.0 percent was up one-tenth of a percentage point from October.

November unemployment rates below 3.0 percent occurred in only one county—Madison at 2.1 percent, up three-tenths of a percentage point from October.

### Industry Employment Developments

November *Nonfarm Payroll Jobs* totaled 569,300 jobs. This was a reduction of 2,200 jobs from October's 571,500 jobs, or a 0.4 percent job loss. The increase of 800 jobs in the *Service-Producing Industries* was not enough to offset the loss of 3,000 jobs in the *Goods-Producing Industries*.

*Construction* lost 1,600 jobs, the highest among the major industry classifications. Reasons for this decline are the same as in recent months—slower population growth, increased availability of residential housing and commercial building properties, and a slowdown in major public construction projects. The beginning of winter also contributed to the employment decline in this industry. There were minimal changes in the other industries that comprise the *Goods-Producing Industries*.

## State Year In Review

*General Merchandise Stores*, with a monthly gain of 1,100 jobs, led the overall job increase in the *Service-Producing Industries*. The shorter Thanksgiving-to-Christmas holiday shopping season in 2002 prompted many merchants to emphasize pre-Thanksgiving sales campaigns.

### DID IDAHO COMPLETE ITS TWELFTH YEAR OF EXPANSION?

In spite of the national recession, turbulence in the financial markets, unsettled armed conflicts internationally, and some adverse local conditions, Idaho managed to expand its economy—as measured by *Total Employment*—for the twelfth consecutive year. The gains were not much compared to previous years, but were still on the positive side of the ledger. On the other hand, the number of *Nonfarm Payroll Jobs* declined by a marginal 0.7 percent. It was the first decline in *Total Nonfarm Payroll Jobs* during the last fifteen years.

### 2002 Preliminary Highlights

- *Total Employment* in Idaho reached a record high of 652,000 in 2002. This compares to 648,400 average annual *Total Employment* for 2001.
- The *Unemployment Rate* was 5.4 percent compared to 5.0 percent in 2001.
- The *Civilian Labor Force* (a count of people) averaged 689,300 in 2002. Compared to 2001, this is a 1.0 percent increase.
- *Total Nonfarm Payroll Jobs* (a count of jobs) averaged 564,700, a 0.7 percent decline in the number of jobs. The 2001 average annual number was 568,900. This means there were 4,200 fewer jobs according to the data collected through a monthly survey of a sample of Idaho employers.
- Industries within the *Goods-Producing Industries* sector lost 7,000 jobs while the *Service-Producing Industries* added 2,800 jobs. The *Service-Producing Industries* provided 81.0 percent of the nonfarm jobs in 2002 compared to 80.0 percent in 2001.

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or to the Regional Labor Economists noted in each area news section.

**DIRK KEMPTHORNE, GOVERNOR**

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Did the Idaho economy expand during 2002? *Total Employment* was up by 3,500 people but the nonfarm industries lost 4,200 jobs. It depends upon how one prefers to measure expansion or reduction.

Regardless of whether the state's economy expanded or deflated, the 2002 employment trend was mixed and some industries and/or geographical areas found the going rougher than others.

### **The 2002 Labor Force Environment**

The state's population continued to grow to an estimated 1.341 million in July 2002. This is an increase from the 2001 estimate of 1.321 million for a 1.6 percent annual increase. In 1997 the annual increase was 2.1 percent and in 2000 it was 1.8 percent. Although population growth in Idaho has slowed, the 2001 to 2002 percentage increase ranked ninth in the nation.

The largest component of Idaho's population growth spurt since the mid-1990s had been net migration into the state, and this has dropped from an estimated 15,583 in 1997 to 10,102 in 2002. Now the growth due to net natural increase (births minus deaths) outnumbers net migration. The implications of population growth upon the labor force are numerous, but primarily it drives the number of jobs in *Construction* and most of the *Service-Producing Industries* including *Government*. In-migration often brings diversity to the workforce and, where there is significant growth within the state, there usually is increased demand for schools, roads, police, and other public services that are supported by taxes. Unfortunately small, rural areas that are losing population to more urban centers must continue to support existing public services, but with diminishing revenue.

The state's *Civilian Labor Force* averaged 689,267 in 2002, a 1.0 percent increase from 2001. In comparison, it increased by 3.7 percent from 2000 to 2001. (The *Civilian Labor Force* is the count of non-institutionalized persons over 16 years of age who are not in the military, but are either employed or unemployed, available and looking for work, or involved in a labor dispute). In addition to slower population growth, the slowdown in labor force growth is also caused because there are persons who choose not to participate in the labor force. Some may have returned to school, some are relying on non-earned income, or others have become discouraged and stopped looking for work. If there are persistent employment increases and unemployment decreases without a commensurate increase in the *Civilian Labor Force*, a labor shortage and higher wage rates could occur. This was not the case in 2002.

Drought conditions prevailed throughout the state in 2002, but the agricultural areas of southern Idaho had the most concern. The Idaho Department of Water Resources officially declared 16 southern Idaho counties Agricultural Disaster Areas because of the drought. This condition was mitigated by judicious use of water and

hydroelectric power, increased growing of crops that are less water intensive, and the absence of major forest and range fires. Agricultural production was good, there were no power shortages for commercial and residential consumers, and water-based recreation activities led to more jobs during the summer months. Although electrical power-intensive industries did not have a shortage of power, power prices and the prediction of even higher prices in the future contributed to the closure of Astaris, a major chemical plant in the Pocatello area. Efforts to make do with the available water resulted in almost complete depletion of the state's stored water reserves. Unless there is a wet winter throughout the state and the lakes and reservoirs become recharged, future drought conditions will likely have a strong, adverse impact on the state's entire economy. It is impossible to overstate the importance of an adequate water supply in Idaho.

Average annual wages were \$27,623 during the July 2000 to June 2001 period. In the July 2001 to June 2002 twelve-month period, this amount increased by \$262 to a new level of \$27,885 for a 0.9 percent growth rate.

University of Idaho agricultural economists reported farm and ranch receipts set a record by topping \$4 billion for the first time and were 5.0 percent more than in 2001. Farm income (receipts minus expenses) was reported to be up 11 percent to nearly \$1.3 billion.

During 2002, nearly \$175 million in Unemployment Insurance (UI) benefits was paid with monies from the state's UI Trust Fund. That is almost 23 percent higher than in 2001 and is a 72 percent increase over 2000. An additional \$31.5 million was paid as Temporary Extended Unemployment Claims, a benefits program that is funded by the federal government.

### **Global Context for Idaho's Economy**

The National Board of Economic Research declared that a national economic recession started with the beginning of the second quarter of 2002 (April 1). This recession, though short lived, lasted until October 1. The national seasonally adjusted unemployment rate first peaked at 6.0 percent in April. This was significantly higher than the 4.5 percent rate recorded for April 2001. Then in November 2002, the rate again rose to 6.0 percent and remained there through the end of the year. The national average annual unemployment rate for 2002 was 5.8 percent compared to 4.8 percent for 2001. Idaho's unemployment rate started the year at 5.5 percent in January, reached the yearly low of 5.0 percent in May, and then began an uphill climb to 5.6 percent in December. Idaho's 2002 average annual unemployment rate is forecasted to be 5.4 percent as compared to 5.0 for 2001. Idaho's 2002 monthly seasonally adjusted unemployment rate was consistently below the nation's throughout the year.

Most analysts agree that the main reasons for the recession (some prefer to call it an economic slowdown) were a decline in businesses making capital investments in themselves and the reluctance of capital markets to make investments in businesses. Several reasons are cited for the decline: the dot.com bubble burst in which many new businesses that had built their business plans around the Internet failed; lending institutions and the financial markets became extremely cautious in providing investment and capital funds; drops in profits and earnings; economic conditions in Japan, South America, and parts of Europe; and highly publicized business scandals. Consumer confidence, although strong, had to cope with the lingering effects of the September 11 terrorist attacks, loss of value in retirement funds and market portfolios, high consumer credit balances, and the uncertainties involving the War on Terrorism.

Idaho has traditionally lagged behind national ups and downs, but as the state's economy has become more diversified and somewhat less seasonal, the state now reacts similarly to the nation, although there still is a delay of several months. Although employment is considered a lagging indicator, it is a strong indicator widely used in business planning and government decision-making throughout the country.

The international context for Idaho's economy had three especially important influences on some Idaho industries. The soft Japanese economy reduced the demand for some Idaho agriculture products, and international concern about genetically modified foodstuffs rippled through the producing, processing, and selling functions industry-wide. The lumber industry complained about Canadian lumber exports to the U.S. and the involvement of the Canadian government in that industry. Idaho's electronics industries experienced soft international markets for their products and had to contend with alleged foreign government subsidy of electronic components, as well.

Idaho was not the only state to feel the adverse effects of the national recession and international developments. Several times during 2002, either Oregon or Washington had the highest monthly unemployment rate in the nation. Downturns in electronics and aerospace were the main culprits. For all states, the latest data show that nonfarm jobs decreased year-over-year (November 2001 to November 2002) in 31 states and the District of Columbia. The largest employment decreases were in Illinois (-67,100), Missouri (-47,400), Georgia (-44,600), and Massachusetts (-42,100).

Over the year, most major industry divisions experienced employment declines. *Manufacturing* remained the weakest industry division, with 47 states and the District of Columbia posting year-over-year employment decreases. Employment losses were also widespread in transportation and public utilities, with 45

states and the District of Columbia experiencing year-over-year declines. In contrast to these losses, 46 states reported employment gains in *Government*, and 41 states and the District of Columbia reported year-over-year employment gains in *Services*.

## 2002 IDAHO EMPLOYMENT HIGHLIGHTS

The average annual unemployment rate in Idaho was 5.4 percent for 2002. Since 1990, the state's average annual rate has been 5.0 percent or more, except for 2000 when it averaged 4.9 percent. Since 1996, the annual rate ranged from 4.9 to 5.3 percent so, although the 2002 rate is higher than last year's 5.0 percent, it falls close to the range of rates experienced in the last few years.

Four Idaho counties experienced double-digit rates for 2002: Adams (12.9), Benewah (10.4), Clearwater (12.8), and Shoshone (10.2). These four counties have had annual average unemployment rates in the double digits for at least the last ten years. Shoshone County's economy has been historically reliant on hard rock mining and the other three counties' economies have been dependent upon logging and sawmills. These industries have fallen on hard times recently and the slowing economy has hit those areas dependent on single industries the hardest.

Eleven Idaho counties had average annual unemployment rates below 4.0 percent for 2002. Madison County had the lowest average rate of 1.8 percent. The county, with about 12,000 people in its labor force, is home to BYU-Idaho, and the school's staffing and students contribute to a low unemployment rate.

There were eight Idaho counties with a labor force that numbered 20,000 or more in 2002. Ada County's labor force of 181,600 is more than double that of Canyon County, which had a labor force of 69,800. These two counties form the Boise City Metropolitan Statistical Area (MSA) and it had over 36 percent of the state's labor force in 2002. The MSA's unemployment rate rose to 5.0 percent in 2002, from 3.8 percent in 2001. The MSA's 2002 employed labor force was 8,000 less than in 2001 and the number unemployed was 2,600 more than in the previous year. The rather abrupt change in size and direction of the Boise MSA's labor force components is the primary cause of the statewide rise in unemployment.

*Nonfarm Payroll Jobs* for the state averaged 564,666 for 2002. This represents a loss of 4,258 jobs from the average number posted for 2001, or a loss of 0.7 percent. Job losses were most acute in the *Goods-Producing Industries*, which declined by 7,045. The *Service-Producing Industries* grew by 0.6 percent but the increase of 2,787 jobs was not enough to offset the aggregate losses in the *Goods-Producing Industries*. The job loss from 2001 to 2002 is the first time since 1985-1986 there has been a year-over-year loss in *Goods-Producing Industries*.

All *Goods-Producing Industries* except *Wood Buildings & Mobile Homes* and *Stone, Clay, Glass & Concrete Products* declined in employment. The net gain in these two sectors was marginal (less than 30 jobs). Although the gain in *Wood Buildings & Mobile Homes* was slight, an employment increase is at least a temporary reversal of the job loss trend seen in this industry in recent years.

*Construction* employment turned down in 2002 after years of stellar growth. The loss of 2,521 jobs (-6.8 percent) in 2002 was spread throughout the industry, but workforce tied to residential and commercial building projects declined the most. Slower population growth and a good inventory of existing housing units led to the losses. State government building projects were delayed due to budget constraints; the construction of the Boise Tower, a large multiple use building tower in Boise, was delayed by financing complications.

*Mining* employment suffered a huge percentage loss in 2002—down 13.3 percent—but the numerical loss of 269 seems less severe. However, almost all of these lost jobs were in *Metal Mining* operations centered in Shoshone County. This continues the tale of the sad demise of one of Idaho's premier industries not too many years ago. In spite of price increases for gold, silver, and some other metals mined in Idaho, they were not enough to cause long-term optimism and workforce increases.

In 1992, employment in *Lumber & Wood Products* averaged 13,995 jobs. In 2002, that number was 10,904 for a decline of 22.1 percent. Between 2001 and 2002, this industry lost 579 jobs. Many Idaho communities, especially rural and sparsely populated ones, relied on this industry for their economic vitality. Employment in logging and sawmill operations has been declining and this has caused employment declines in the larger *Lumber & Wood Products* industry. From a peak of 14,479 in 1995, employment declined to 10,094 in 2002. This industry has had to contend with low product prices, slowdowns in export values, over-capacity in mills, alleged unfair trade practices, and increased inaccessibility to public timberlands as a source of timber.

Two industries are usually combined to form Idaho's electronics industry. The two are *Industrial & Commercial Machinery & Computer Components* and *Electronic & Other Electrical Equipment & Components, excluding Computers*. The rise of these industries in Idaho since the late 1980s has been one of the main reasons Idaho's economy has diversified and grown at a fast pace. Now the slowdown in these industries, caused by the national recession and global competition, is seen as a major reason Idaho's economy experienced a general slowdown during 2002. An average of 2,228 jobs were lost in these two industries from 2001. The 22,247 jobs provided by these industries is 31 percent of all *Manufacturing* jobs, but only 4.0 percent of the state's *Nonfarm Payroll Jobs*. These industries have been instrumental in the state's and Boise

area's growth, they have a strong presence in all sizes of companies—from small entrepreneurial businesses to large corporations—and they are thought to offer "good" jobs with greater than average pay and benefits. Even a relatively small decline in their employment casts long shadows.

*Food Processing* has been a major mainstay in Idaho's economy and is a value-added step in the total agriculture production system. While food processing endures, the products produced and processing methods and technologies used are constantly changing. Often these changes result in changes in workforce requirements, such as a need for fewer workers. This has been the long-term trend. In 2002 there were several events that led to the overall loss of 322 jobs in *Food Processing*. The J.R. Simplot potato processing plant in Heyburn, with about 650 employees, announced it was starting a phased, permanent closure, and Kraft Foods North America in Rupert announced it was reducing its workforce by about 50 persons.

*Chemical & Allied Products* declined by 338 jobs from 2001 to 2002. This 14.6 percent employment decline is due almost totally to the closure of Astaris, a major phosphate processing plant in the Pocatello area.

About the same number of major industry groups within *Service-Producing Industries* either gained or lost jobs in 2002 from 2001. Within this major grouping of industries that cover most of the jobs in Idaho—81 percent of the nonfarm jobs—there was general stability with a very modest gain of 2,787 jobs on the average for the year.

More people work in *Services* than in any other major industry and there was a year-over-year gain of 1,960 jobs. *Health Services* continued its long-term trend of adding jobs. About one-third of the jobs are usually in *Hospitals*, and those located in the urban centers have continued expanding facilities and services. Some of the larger hospital organizations have absorbed ownership or management of small facilities in rural areas.

Some analysts consider activity in *Business Services* to be a harbinger of current and/or short-term business conditions. This is because temporary staffing agencies, which hire workers for other businesses, are included in *Business Services*. The 1.8 percent job loss in this sector during Idaho's economic slowdown is consistent with that notion.

Tourism is not an official industry, but it certainly is big business in Idaho. Three different industries are grouped together in the Idaho Department of Labor's analysis of tourism employment: *Eating and Drinking Places, Hotels & Other Lodging Places*, and *Amusement and Recreation Services*. The lodging industry is most clearly tied to tourist and business-related travel and average employment in 2002 was down by 447 jobs from 2001.

(continued on page 34)

State Table 1: Labor and Nonfarm Payroll Jobs – State of Idaho

	Projected Annual Average 2002	Annual Average 2001	Percent Change from 2001
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>			
Civilian Labor Force	689,267	682,228	1.0
Unemployment	37,300	33,836	8.3
% of Labor Force Unemployed	5.4	5.0	
Employment	651,967	648,392	0.6
<b>JOBS BY PLACE OF WORK</b>			
<b>Nonfarm Payroll Jobs</b>	564,666	568,924	-0.7
<b>GOODS-PRODUCING INDUSTRIES</b>	107,503	114,548	-6.2
<b>Mining</b>	1,761	2,030	-13.3
Metal Mining	570	823	-30.7
<b>Construction</b>	34,718	37,239	-6.8
<b>Manufacturing</b>	71,024	75,279	-5.7
Durable Goods	43,096	46,275	-6.9
Lumber & Wood Products	10,904	11,483	-5.0
Logging	1,898	2,107	-9.9
Sawmills & Planing Mills	4,158	4,426	-6.1
Wood Buildings & Mobile Homes	1,129	1,104	2.3
Other Lumber & Wood Products	3,719	3,846	-3.3
Stone, Clay, Glass & Concrete Products	1,468	1,463	0.4
Fabricated Metal Products, exc. Machinery & Transportation Equip.	2,821	3,006	-6.2
Industrial & Commercial Machinery & Computer Equipment	9,070	10,028	-9.6
Electronic & Other Electrical Equip. & Components, Exc., Computer	13,177	14,447	-8.8
Transportation Equipment	2,136	2,192	-2.6
Other Durable Goods	3,521	3,657	-3.7
Nondurable Goods	27,928	29,004	-3.7
Food Processing	17,018	17,340	-1.9
Canned, Frozen, & Preserved Fruits, Vegetables & Food Specialties	9,371	9,568	-2.1
Paper Products	2,077	2,141	-3.0
Printing, Publishing & Allied Products	4,908	5,204	-5.7
Chemicals & Allied Products	1,986	2,324	-14.6
Other Nondurable Goods	1,939	1,996	-2.8
<b>SERVICE-PRODUCING INDUSTRIES</b>	457,163	454,376	0.6
<b>Transportation, Communications, &amp; Utilities</b>	27,540	28,129	-2.1
Transportation	17,007	17,613	-3.4
Railroad	1,281	1,311	-2.3
Motor Freight Transportation & Warehousing	9,872	10,204	-3.3
Communications	6,494	6,560	-1.0
Electric, Gas, & Sanitary Services	4,039	3,956	2.1
<b>Trade</b>	140,054	140,928	-0.6
Wholesale Trade	31,173	31,602	-1.4
Durable Goods	14,501	14,807	-2.1
Nondurable Goods	16,672	16,795	-0.7
Retail Trade	108,881	109,326	-0.4
Building Materials, Hardware, Garden Supply & Manuf. Home Dealers	6,760	6,507	3.9
General Merchandise Stores	14,177	13,849	2.4
Food Stores	18,294	18,759	-2.5
Automotive Dealers & Gasoline Service Stations	12,340	12,269	0.6
Eating & Drinking Places	37,929	38,054	-0.3
<b>Finance, Insurance &amp; Real Estate</b>	24,485	24,093	1.6
Banking	7,411	7,331	1.1
<b>Services</b>	152,993	151,033	1.3
Hotels & Other Lodging Places	7,601	8,078	-5.9
Personal Services	4,464	4,433	0.7
Business Services	29,689	30,247	-1.8
Amusement and Recreation Services	7,266	7,098	2.4
Health Services	40,143	38,157	5.2
Hospitals	13,640	12,973	5.1
Engineering, Accounting, Research, Management, & Related Services	19,373	19,159	1.1
<b>Government</b>	112,092	110,192	1.7
Federal Government	13,367	13,287	0.6
State & Local Government	98,725	96,906	1.9
State Government	28,652	28,739	-0.3
Education	13,500	13,364	1.0
Administration	15,152	15,375	-1.4
Local Government	70,073	68,167	2.8
Education	38,823	38,307	1.3
Administration	31,250	29,861	4.7

1-Preliminary Estimate

2-Estimates include all full or part time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.  
 DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS. MATERIAL IN THIS DOCUMENT IS PUBLIC DOMAIN AND MAY BE REPRODUCED WITHOUT  
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# PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

## EMPLOYMENT TRENDS

This newsletter section will focus on how 2002 affected the five Panhandle counties. Because the U.S. downturn in manufacturing began in late 2000 and the depths of the U.S. recession occurred in 2001, this newsletter describes changes from 2000 to 2002 to give a comprehensive review of the effects of the U.S. economic slowdown on the Panhandle. The construction permits data used in this newsletter are from Wells Fargo's *Idaho Construction Report*, while taxable sales and hotel-motel receipts data are from the Idaho Tax Commission.

One current event must be mentioned. Santa was good to Panhandle businesses relying on winter tourism. Enough snow fell to allow ski areas to open before Christmas. Therefore, the region's three ski areas were able to host large Christmas vacation crowds, and shopkeepers, restaurant owners, and innkeepers in Bonner and Shoshone Counties enjoyed a merrier Christmas than some feared they might.

## AREA DEVELOPMENTS IN 2002

### Benewah County

- Benewah County's economy remained stagnant in 2002 as evidenced by its 10.4 percent unemployment rate. The stagnation reflects its heavy dependence on the timber industry, which declined during the last few years. *Lumber & Wood Products* employment fell from 993 jobs in 1997 to 805 by 2000. After the opening of the Plummer Forest Products mill, jobs rose to 841 in 2001. The April closure of the Pacific Northwest Fiber strawboard plant, as well as reduced logging and mill activity, decreased employment to approximately 780 jobs in 2002. Recently, Newco Building Supply reopened the former strawboard plant with 10 employees. Carney will close its pole yard in St. Maries in the first quarter of 2003, putting eight people out of work.
- The county's mining industry, which lost five jobs between 2000 and 2001, lost seventeen jobs after Emerald

Panhandle Table 1: Labor Force & Employment

Benewah, Bonner, Boundary, Kootenai, & Shoshone Counties	Projected 2002	2001	% Change From Last Year
INDIVIDUALS BY PLACE OF RESIDENCE			
Civilian Labor Force	92,478	88,341	4.7
Unemployed	7,613	7,703	-1.2
% of Labor Force Unemployed	8.2%	8.7%	
Total Employment	84,864	80,638	5.2
JOBS BY PLACE OF WORK			
<b>Nonfarm Payroll Jobs**</b>	68,880	67,950	1.4
<b>Goods-Producing Industries</b>	13,310	14,060	-5.3
Mining	560	760	-26.3
Construction	4,260	4,610	-7.6
Manufacturing	8,490	8,690	-2.3
Lumber & Wood Products	4,060	4,120	-1.5
All Other Manufacturing	4,430	4,570	-3.1
<b>Service-Producing Industries</b>	55,570	53,890	3.1
Transportation	1,470	1,470	0.0
Communication & Utilities	1,030	1,060	-2.8
Wholesale Trade	2,120	2,150	-1.4
Retail Trade	14,940	14,840	0.7
Finance, Insurance & Real Estate	2,650	2,640	0.4
Services	18,910	17,510	8.0
Government Administration	9,040	8,910	1.5
Government Education	5,410	5,310	1.9

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Creek garnet mine permanently laid off one-third of its workforce in November 2002.

- Construction lost more than 20 jobs between 2000 and 2002. Building permits issued by the City of St. Maries in the first nine months of 2002 totaled \$544,052, slightly lower than the \$560,731 recorded in the first nine months of 2000. That's less than half the value of the permits issued in the first nine months of each year in the 1990s.
- Economic malaise continues to undermine the county's retail and service sectors. During 2002, taxable sales in Benewah County totaled \$44,280,409, up 4.0 percent from \$42,560,828 in 2000. During those two years, the consumer price index rose 4.2 percent, so Benewah County's retail sales have fallen slightly in real terms. The retail sector lost about 15 jobs during the last two years, while the county's only call center, Mountain States Glass, cut about 30 jobs.
- Benewah County's tourism sector remains small. The expansion of the marina and introduction of a cruise boat at Heyburn State Park two sum-



mers ago, and the near completion of the Trail of the Coeur d'Alenes from Plummer to Mullan, contributed to an increased number of visitors. Hotel-motel receipts totaled \$252,989 in the first 11 months of 2002, up 22.2 percent from the same period two years before.

- Benewah County's population fell from 9,171 in 2000 to 8,995 in 2001, according to the U.S. Census Bureau. Declining school enrollments suggest that a few more families moved out of the county between 2001 and 2002. The St. Maries School District's fall enrollment declined from 1,252 in 2000 to 1,132 in 2002, while the Plummer-Worley School District's enrollment declined from 563 to 529.
- Economic stagnation caused the number of private-sector employer establishments to fall from 295 in 2000 to 279 in 2002. The industries with the largest decreases were construction, logging, and retail.
- The largest job growth during the last two years occurred in the Coeur d'Alene Tribe, which added about 40 jobs in Benewah County and more than 150 jobs at its casino and hotel just over the Kootenai County line. The opening of the casino's 18-hole golf course this spring should bring more jobs.
- Economic development organization Timber Plus is working to expand opportunities in the St. Maries area. Projects underway include a \$2.1 million downtown improvement project, replacement of the surgery at Benewah Community Hospital, and construction of a new floodwall.

### **Bonner County**

- Despite the U.S. economic slowdown, Bonner County's economy remained buoyant in 2002. It added about 360 payroll jobs between 2001 and 2002, after it added 187 payroll jobs the year before. In addition, the county continued to add new businesses. The number of private-sector employer establishments rose from 1,249 in 2000 to 1,294 in 2002. Since 2000, Bonner County lost one mill and five logging operations, while it added five manufacturing operations, two restaurants, four stores, and forty service businesses.
- Economic growth, along with the county's scenic and lifestyle attractions, allowed the population to grow from 36,835 in 2000 to 37,479 in 2001. Fall enrollments at the two school districts rose from 5,718 in 2001 to 5,759 in 2002, suggesting the county continued to enjoy population growth in 2002.
- The unemployment rate edged down slightly from 8.4 percent in 2001 to 8.2 percent in the 12-month period ending November 2002. In 2000, when lumber mills had large layoffs, the unemployment rate reached 9.0 percent.
- Tourism plays an ever-larger role in the county's economy. Hotel-motel receipts in the first 11 months of 2002 totaled \$10,903,927, up 9.4 percent from the first 11 months of 2001 and 12.0 percent above the first 11 months of 2000. The 2001-2002 winter tourism season

was excellent, and summer tourism continued to do well despite the slowdown in the U.S. travel industry. In the summer of 2002, Schweitzer Mountain Resort opened a large retail complex at its village. The resort plans to further develop the ski area and build more condominium units.

- Good tourist seasons and economic growth boosted taxable sales to \$286,952,736 in 2002, up 13.6 percent from 2000.
- In the first nine months of 2002, the City of Sandpoint issued permits for construction projects valued at \$4.4 million, much lower than the \$7.7 million in the first nine months of 2000. Low mortgage rates and continued population growth fostered the residential construction market in 2001 and 2002, but commercial permits fell considerably after 2000.
- The county's manufacturing sector continued to grow, while the U.S. manufacturing sector declined. *Lumber & Wood Products*, the county's largest manufacturing industry, rose from 961 jobs in 2000, when several mills cut jobs, to about 1,060 jobs in 2001 and 2002. Other manufacturing industries held their employment steady in 2001 and then added about 100 jobs in 2002. Litehouse, a company that produces salad dressings, was the source of most of these new jobs.
- Bonner County is likely to enjoy further manufacturing job growth during the next two years. In late fall, Packer Aircraft had moved into a new 22,000-square-foot building near the Sandpoint Airport, where its 35 employees are making prototypes of aircraft. Once the aircraft goes from prototype to reality, Packer may employ as many as 150 people. Unicep Packaging, a manufacturer of disposable applicators used in medicine and manufacturing, added about 30 jobs this year and expects to double production in 2003. Encoder Products, the county's largest electronics firm, soon will open its new building, which will allow it to expand over the next two years. In addition, the Bonner County Economic Development Corporation persuaded seven small out-of-state companies to move to the Sandpoint area.

- The U.S. economic slowdown did take a toll in some parts of the local economy. The Sandpoint Job Service took 3,555 initial unemployment claims in the first nine months of 2002, compared to 3,138 in the first nine months of 2000. Like many U.S. retailers, Coldwater Creek, the Sandpoint-based catalog company, downsized in 2002; the company cut about 180 positions in 2002.

### **Boundary County**

- The last three years battered the Boundary County economy. After enjoying strong growth in the 1980s and 1990s, the local economy quit producing jobs in 2000. *Nonfarm Payroll Jobs* peaked at 3,416 jobs in 1999, and then gradually eroded to an estimated 3,150 jobs in 2002. The job erosion occurred mainly in the *Lumber & Wood Products* industry, construction, retail stores, and restaurants.



- *Lumber & Wood Products* employment declined from 588 jobs in 1999 to 529 jobs in 2002. Unfortunately, a global oversupply of wood products may force further reductions in 2003. In November, Louisiana-Pacific temporarily shut down both of its mills in Boundary County. Workers returned to the Moyie Springs mill in early December and to the Bonners Ferry mill in early January.
- *Construction* lost about 50 jobs in the last two years. In the first nine months of 2002, the City of Bonners Ferry issued permits for construction projects valued at \$996,129, considerably higher than the \$261,818 in the first nine months of 2000, but considerably lower than the average \$1.7 million per year issued in the last half of the 1990s.
- Many Boundary County residents are struggling with unemployment. Initial unemployment insurance claims taken by the Bonners Ferry Job Service increased 25.8 percent, from 907 in 2000 to 1,141 in 2002. Boundary County's unemployment rate in the 12-month period ending November 2002 averaged 7.5 percent.
- The wobbly economy slowed population growth during the last two years. Boundary County's population increased only marginally, from 9,918 in 2000 to 9,926 one year later. The population may have declined last year, because school enrollment edged down from 1,677 in 2000 to 1,633 in 2002.
- The Kootenai Tribe's Inn & Casino, the centerpiece of the county's tourism industry, attracted more visitors during the last two years. Hotel-motel receipts in the first 11 months of 2002 reached \$2,565,522—19.6 percent above the first 11 months of 2000.
- Fortunately, better prices for crops and strong demand for landscaping because of the U.S. housing construction boom are helping agricultural businesses in the region, including Elk Mountain Farms, ornamental tree nurseries, and local grain farmers.
- During 2002, taxable sales in Boundary County totaled \$53,680,688, up 13.0 percent from 2000. More than half of that growth came from increased sales at the Kootenai River Inn & Casino. Tree nurseries and various service businesses made up the rest of the growth. Retail stores and restaurants saw their sales fall slightly and lost more than 60 jobs between 2000 and 2002.
- The harsh economic environment caused more businesses to close than open. The number of private-sector employer establishments declined from 368 in 2000 to 349 in 2002, as the county lost construction, retail, restaurant, and service businesses. The most recent casualty was the Taco Bell restaurant near Bonners Ferry High School, which closed in early December, putting more than a dozen people out of work.
- The U.S. economic slowdown is hurting CEDU, the county's largest employer. CEDU, whose Rocky Mountain Academy and other programs educate troubled teens, reduced its employment slightly during recent

months, because of federal and state budget cuts for social programs and decreases in family incomes.

- Much is happening to improve the long-term well-being of Boundary County residents. The River Valley Health Clinic, providing medical care to the uninsured and underinsured, opened in December next to Boundary Community Hospital. In September, the City of Bonners Ferry and the Kootenai Tribe broke ground on a \$600,000 pedestrian underpass beneath U.S. Highway 95 that will link downtown Bonners Ferry with the Kootenai River Inn & Casino by next fall. To make downtown more attractive, the city plans to add sidewalks, streetlights, and landscaping.

## Kootenai County

- Kootenai County continues to be the region's powerhouse. From 2000 to 2002, Kootenai County added about 1,900 payroll jobs, while the rest of the Panhandle gained about 300 jobs. Four businesses were responsible for the job growth in Kootenai County. The openings of two Center Partner call centers brought 1,400 jobs to the area, while the opening of the Post Falls Wal-Mart brought 350 jobs and expansion at Kootenai Medical Center brought 130 jobs. When Oxy-fresh Worldwide, a multi-level marketing firm, moved from Spokane to Coeur d'Alene in January 2002, it brought 50 jobs.
- Like other U.S. manufacturers, the county's manufacturers took a beating during the last two years. *Lumber & Wood Products* lost 280 jobs, while electronics, plastics, furniture, and other manufacturers lost 200 jobs. These losses and the job losses of Kootenai County residents who worked in Spokane County explain why Kootenai County's unemployment rate rose from 7.4 percent in 2000 to 8.0 percent in the 12-month period ending November 2002.
- Although population growth has slowed since the 1990s, the county still adds nearly 3,000 people a year to its population base. Its population increased from 108,685 in 2000 to 115,000 in 2002.
- The U.S. economic slowdown and the effects of the September 11 attacks on travel took a small toll on Kootenai County's tourism sector. Hotel-motel receipts in the first 11 months of 2002 totaled \$33.8 million, 4.6 percent below the first 11 months of 2000. This past summer, the county hosted close to as many tourists as it normally does, but the tourists spent less money than they normally do. Despite the downward trend in tourism, Silverwood Theme Park hosted a record number of visitors. There's good reason to expect strong tourism growth in 2003. This spring, Silverwood will open a spectacular water park, while the Coeur d'Alene Tribe's casino will open a golf course. In addition, the Coeur d'Alene Area Chamber of Commerce will host up to 35,000 people at the USA Ironman Triathlon this summer and the next four summers.
- During 2002, taxable sales in Kootenai County totaled \$923,395,375, up 9.6 percent from 2000. Although the rate of growth between 2000 and 2002 was slower than

the 6.8 percent a year seen in the 1990s, it still was fairly strong.

- The two largest cities and the county government issued permits for construction projects valued at \$145 million in the first nine months of 2002—2.0 percent higher than \$142.2 million in the first nine months of 2000. Residential construction increased, but nonresidential construction fell. The net result was the loss of 200 construction jobs between 2000 and 2002.
- Economic growth fostered business growth. The number of private-sector employer establishments rose from 3,738 in 2000 to 3,902 in 2002. The county added 21 finance, insurance, or real estate offices, 52 construction businesses, and 99 service businesses, while it lost 5 wholesalers, 2 mining-related businesses, and 10 transportation or communications firms.
- Prospects look good for further growth in Kootenai County. The University of Idaho Research Park added several new tenants this year, improving the prospect that Interstate 90 between Spokane and Coeur d'Alene will become a technology corridor. This summer, an \$18 million surgical hospital will open in Post Falls. At the Riverstone development in Coeur d'Alene, a developer plans to build a \$40 million commercial center, including a 14-screen movie theater, slated to open in 2005.

### Shoshone County

- The year 2002 was slightly better for Shoshone County than 2001. In 2001, the county's largest employer, the Sunshine Mine, closed and the next largest mine, the Lucky Friday, laid off 140 people. That left only one mine, the Galena, fully operating and brought mining employment in Shoshone County to 319 jobs, its lowest level in more than 110 years. In 2002, the Lucky Friday added about 40 jobs, and the Tele-Servicing Innovation (TSI) call center added 60 jobs. If the prices of silver or zinc should rise considerably during the next two years, one or more mines could reopen and a proposed zinc plant may be built, potentially bringing many jobs to the county.
- TSI opened a call center in Smelterville in November 2001 with 35 employees. A year later, it employed 95 people there. In December, citing postponements and reductions in work contracts because its customers faced budgetary restraints, TSI temporarily shut down. Most of the employees returned to work January 6.
- Despite hard times in the mining industry, Shoshone County's economy has proven to be more resilient than many expected. Shoshone County's unemployment rate, which had risen to 12.4 percent in 2001, edged down to 9.9 percent in the 12-month period ending November 2002. Many of the miners who lost their jobs in 2001 found jobs at Montana and Nevada mines.
- Two reasons for Shoshone County's economic resilience in the face of mining's decline are the transformation of the population base and the reversal of tradi-

tional commuting patterns. Following massive mining job losses in the early 1980s, many young families moved out, while many older people stayed. In addition, the county's lifestyle and outdoor recreation opportunities brought many retirees to the county in recent years. Until 20 years ago, many Kootenai County residents commuted to work in Shoshone County. Now, commuters travel the other way, because of Shoshone County's lower housing costs and Kootenai County's job growth. More than 1,100 Shoshone County residents work outside the county.

- Shoshone County's population fell from 13,771 in 2000 to 13,443 in 2001. Fall school enrollment dropped from 2,326 in 2001 to 2,209 in 2002, suggesting a number of young families moved out last year.
- Jobs in the construction industry, including U.S. Environmental Protection Agency Superfund projects, fell from 190 in 2000 to 110 two years later, while manufacturing jobs remained constant. The *Lumber and Wood Products* industry employs about 110 people, while other manufacturers employ about 180. Falling tax bases and declining population caused government entities to cut about 50 jobs.
- Taxable sales in Shoshone County rose 6.4 percent, from \$89.5 million in 2000 to \$95.2 million in 2002. In the same period, the consumer price index rose 4.2 percent. Most of the sales growth can be attributed to Dave Smith Motors in Kellogg, one of the largest auto dealerships in the United States. Retail stores and restaurants lost about 50 jobs during the last two years.
- The county's economic woes forced some businesses to close during the last two years. The number of private-sector employer establishments fell from 397 in 2000 to 376 in 2002. Among the businesses lost were the Sunshine Mine, two construction firms, eleven service businesses, and five retail stores.
- After strong growth in the 1990s, the county's tourism sector did not develop much during the last two years. Tourism employment remained steady at 570 jobs. Hotel-motel receipts in the first 11 months of 2002 totaled \$2,361,320, 1.5 percent below the first 11 months of 2000. Fortunately, planned developments at Silver Mountain Resort will greatly enhance the tourism sector during the coming years. Silver Mountain plans to build an 18-hole golf course by 2005 and develop housing units around the golf course and ski area. In addition, growing numbers of hikers, bicyclists, and snowmobilers are exploring the hundreds of miles of recently developed trails.

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# SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

## EMPLOYMENT TRENDS

The Seaport Labor Market Area (LMA), which includes both Nez Perce County in Idaho and Asotin County in Washington, continues to be the economic engine in North Central Idaho. During 2002 *Total Employment* (a count of people) increased by 550. The number of *Nonfarm Payroll Jobs* (a count of jobs) decreased 1.8 percent to 26,240. Similiar to other urban economies throughout the state, expansion of the economy of the Seaport area slowed, stopped, and is now decreasing. As Seaport Table 1 shows, there were few increases in industry totals—only *All Other Manufacturing* and *Government Administration* posted increases for 2002.

Layoffs occurred in almost all sectors of *Manufacturing* including *Food Processing*, *Lumber & Wood Products*, and *Paper & Allied Products*. These layoffs have occurred in high wage manufacturing jobs, which will have a profound effect by reducing the amount of dollars circulating in the general economy in 2003. The loss of *Manufacturing* payroll may produce a rippling effect of cutbacks across *Retail* and *Services* industries. Between 1997 and the first half of 2001, a majority of new jobs were created in the *Services* and *Trade* industries. Though these jobs helped reduce unemployment, the jobs were usually part-time without benefits and offered low wages. Workers in these part-time jobs were counted as employed even if they were looking for full-time opportunities. As a result, a large pool of underemployed workers was created. Underemployed workers are generally seeking full-time employment with benefits and wages above \$8.00 per hour. Counting these workers as employed reduces unemployment but masks a growing issue. However, there was some good news. Although *Services* recorded decreases, jobs in the *Health Care* sector are at record high levels. An expanding group of new health care professionals continue to move into the area.

From 2001 to 2002 in Nez Perce and Asotin Counties, the number of employ-

Seaport Table 1: Labor Force & Employment  
Nez Perce County, Idaho and Asotin County, Washington

	Projected 2002	2001	% Change From Last Year
INDIVIDUALS BY PLACE OF RESIDENCE			
Civilian Labor Force	34,780	34,260	1.5
Unemployed	1,470	1,500	-2.0
% of Labor Force Unemployed	4.2	4.4	
Total Employment	33,310	32,760	1.7
JOBS BY PLACE OF WORK			
<b>Nonfarm Payroll Jobs**</b>	26,240	26,720	-1.8
<b>Goods-Producing Industries</b>	5,130	5,160	-0.6
Construction & Mining	1,360	1,380	-1.4
Manufacturing	3,770	3,780	-0.3
Food & Kindred Products	100	130	-23.1
Lumber & Wood Products	680	710	-4.2
Paper & Allied Products	1,660	1,670	-0.6
All Other Manufacturing	1,330	1,270	4.7
<b>Service-Producing Industries</b>	21,110	21,560	-2.1
Transportation	1,350	1,350	0.0
Communication & Utilities	280	300	-6.7
Wholesale Trade	940	960	-2.1
Retail Trade	4,930	5,020	-1.8
Finance, Insurance & Real Estate	1,640	1,730	-5.2
Services & Misc.	6,960	7,140	-2.5
Government Administration	2,680	2,670	0.4
Government Education	2,330	2,390	-2.5

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month.

ers decreased by 22 to 1,815. These were mostly small employers in the *Services* and *Trade* industries. The number of large employers, those with 200 or more employees, remained the same, but their overall total employment decreased. New employers in 2002 were small businesses with fewer than five workers.

Other economic developments in 2002 include the following:

- American West Steamboat Company announced it would debut a new vessel in 2003, doubling the number of passengers it brings to the area.
- Nez Perce Plaza in Lewiston opened a Safeway, a Home Depot, an AmericanWest bank, and other smaller businesses.
- Pacific Cataract and Laser Institute opened a new, larger building at Bryden Canyon Road in Lewiston.
- Lewis and Clark Bicentennial is approaching and commemorative merchandise, from clothing to firearms, is being sold locally.
- Harley-Davidson announced it would open a new store in 2003.

- Regence BlueShield of Idaho plans to build a 70,000-square-foot office complex on 10 acres in the new Business and Technology Park near Thain Grade in Lewiston.
- Enrollment at Lewis-Clark State College (LCSC) was up 0.59 percent in 2002.
- ATK operations in Lewiston continued to grow. Propelled by the expansion of law enforcement after the September 11 terrorist attacks, ammunition made in Lewiston is being purchased for new officers that were hired after September 11, including federal air marshals. According to company officials, ATK (formerly known as Blount) hired about 100 new workers.
- The Washington State minimum wage increased 11 cents, to \$7.01 an hour, on January 1, 2003. The Idaho and Federal minimum wage is \$5.15 an hour. There are no increases immediately planned for either Idaho or the U.S.
- The Nez Perce Tribe's \$16 million fish hatchery opened in 2002.
- Potlatch Corporation, the Lewiston-Clarkston Valley's largest employer, announced layoffs in both the spring and fall of 2002.
- Construction was delayed on Lewis-Clark State College's (LCSC) \$16.4 million activity center as a result of the state building freeze, which was instituted due to the state's budget shortfall.

### Clearwater County

*Total Employment* in Clearwater County decreased in 2002 (see *Seaport Table 2: Labor Force & Employment by County*), mainly because of the continuing impact of the closure of the Jaype Mill in Pierce. With the mill closure and the elimination of 225 jobs, Clearwater County's unemployment increased to the highest rate in the state. Employment decreases in almost all industries indicate the local economy is suffering.

Local economic development groups continued trying to diversify the economy. Along with efforts to attract new businesses, attention has also been given to help existing businesses grow and create new jobs. To assist with business expansion, an industrial park in Orofino is being constructed with plans to open in 2003.

The number of employers in Clearwater County decreased from 2001 to 2002 by 10 for a total of 335. In spite of this, some new small employers (fewer than five employees) did open. *Government* accounted for 42 percent of all jobs and has had a stabilizing influence on the economy even during times of stress. Summer tourism was up in 2002 and is expected to grow through 2004 as people from all over the country visit the county to commemorate the bicentennial of the Lewis and Clark Expedition. The scenic Lolo portion of the trail, ending near Pierce, has become a popular destination for visitors. A concern in the economy continues to be how the resolution of the salmon issue will impact tourism and the Dworshak

Seaport Table 2: Employment by County

Clearwater County Nonfarm Payroll Jobs		Estimated	Percent Change
	2001	2002	2001-2002
<b>Total Nonfarm Payroll Jobs</b>	2,930	2,830	-3.4
<b>Goods-Producing Industries</b>	620	570	-8.1
Construction & Mining	130	120	-7.7
Manufacturing	490	450	-8.2
<b>Service-Producing Industries</b>	2,310	2,260	-2.2
Transportation, Comm. & Utilities	100	80	-20.0
Trade	450	440	-2.2
Finance, Ins. & Real Estate	70	70	0.0
Services & Misc.	500	490	-2.0
Government Administration	890	860	-3.4
Government Education	300	320	6.7
Idaho County Nonfarm Payroll Jobs		Estimated	Percent Change
	2001	2002	2001-2002
<b>Total Nonfarm Payroll Jobs</b>	4,320	4,190	-3.0
<b>Goods-Producing Industries</b>	960	910	-5.2
Construction & Mining	320	290	-9.4
Manufacturing	640	620	-3.1
<b>Service-Producing Industries</b>	3,360	3,280	-2.4
Transportation, Comm. & Utilities	210	210	0.0
Trade	860	840	-2.3
Finance, Ins. & Real Estate	130	130	0.0
Services & Misc.	750	720	-4.0
Government Administration	1,020	1,000	-2.0
Government Education	390	380	-2.6
Latah County Nonfarm Payroll Jobs		Estimated	Percent Change
	2001	2002	2001-2002
<b>Total Nonfarm Payroll Jobs</b>	14,680	14,350	-2.2
<b>Goods-Producing Industries</b>	1,050	1,020	-2.9
Construction & Mining	390	400	2.6
Manufacturing	660	620	-6.1
<b>Service-Producing Industries</b>	13,630	13,330	-2.2
Transportation, Comm. & Utilities	280	270	-3.6
Trade	3,570	3,520	-1.4
Finance, Ins. & Real Estate	330	340	3.0
Services & Misc.	2,840	2,810	-1.1
Government Administration	830	800	-3.6
Government Education	5,780	5,590	-3.3
Lewis County Nonfarm Payroll Jobs		Estimated	Percent Change
	2001	2002	2001-2002
<b>Total Nonfarm Payroll Jobs</b>	1,150	1,120	-2.6
<b>Goods-Producing Industries</b>	170	150	-11.8
Construction & Mining	30	20	-33.3
Manufacturing	140	130	-7.1
<b>Service-Producing Industries</b>	980	970	-1.0
Transportation, Comm. & Utilities	60	60	0.0
Trade	340	300	-11.8
Finance, Ins. & Real Estate	50	50	0.0
Services & Misc.	100	140	40.0
Government Administration	220	210	-4.5
Government Education	210	210	0.0

Dam. The periodic drawdown of Dworshak Reservoir and increased flows from upper Snake River reservoirs reportedly resulted in an increase in the survival of endangered fall chinook salmon smolts in the Snake River. However, the drawdown adversely affects the amount of water in the Dworshak Reservoir and the Clearwater River, which both provide recreational activities for residents and tourists.

Other county developments in 2002 included the following:

- Most river guides and outfitters in Clearwater County reported an increase in business because of increased steelhead runs.
- Clearwater Valley Hospital in Orofino expanded and is undergoing remodeling. Construction, which started in the summer of 2002, is expected to take about one year.
- King's Discount Department Store opened in Orofino.
- High Country Inn opened near Orofino. Patterned after a Northwest lodge, the inn has a large teaching and professional kitchen. The new inn has space to accommodate weddings and reunions.
- Construction began on a light manufacturing industrial site in Orofino. An expanding local company, Architectural Sign and Engraving, will be the anchor for the new building and will need about half of the space. The other half of the building will provide space to encourage local business to expand or to bring other companies to the county.

### Idaho County

*Total Employment* in Idaho County increased slightly in 2002. However, even with the increase, Idaho County's economy has lost 295 nonfarm jobs from its 1994 record high of 5,941 (see *Seaport Table 2: Employment by County*, on page 12). *Retail Trade* and *Services* industries created new jobs in spite of the closure, indicating a move towards diversifying the economy. In addition to losses in lumber manufacturing, jobs in *Government* decreased because of cutbacks at the U.S. Forest Service and local school districts. The number of jobs in *Agriculture*, a major industry, is just one-third of what it was 20 years ago.

The number of employers in Idaho County increased by 10 from 2001 to 2002 to a total of 559. However, the number of large employers, those with 25 or more employees, decreased. New employers were small businesses, each with fewer than five workers. *Lumber & Wood Products* and *Government* employment represent a large part of the labor force in Idaho County, which is heavily dependent on natural resources. Jobs in both *Lumber & Wood Products* and *Government* decreased in 2002. In addition to permanent layoffs in sawmills, most sawmills in the county experienced temporary layoffs during the year. *Industrial Machinery* continues to be a strong sector. Local machining companies in the Grangeville and Cot-

tonwood areas have gained national attention and are receiving orders from all over the country.

Economic groups in Idaho County are encouraging the development of an industrial park at the Grangeville airport. Several small local companies are looking at the proposed park for expansion. Another proposed development is expansion of the Snowhaven Ski Area located near Grangeville.

Other county developments in 2002 included the following:

- Idaho Sewing for Sports, Inc., located near Grangeville, gained national recognition as a supplier for the 2002 Winter Olympic Games.
- A California aircraft engine business relocated to Grangeville.
- Hearthstone Bakery and Tea House opened in Kamiah.
- Guides and outfitters reported an increase in business during the year. This year's steelhead run overwhelmed Idaho hatcheries and provided some of the best steelhead fishing anglers could remember.
- Apple River Productions filmed the movie "Where Rivers Meet" near Grangeville. A majority of the actors and extras were local residents.
- Environmentalists and the timber industry discussed places where they could agree timber harvest should occur. While common ground may be rare, there appeared to be a few locations in the Nez Perce National Forest that both groups agreed could be harvested. One example is the small Dixie fuels reduction project aimed at reducing the risk of fire to the town. Another is the beetle-infested Red River drainage, which could be logged without harming the environment.
- Salvaging was begun on the railroad line from Spalding to Grangeville. The salvage does not include the Craigmont to Spalding section or bridges.

### Latah County

Employment in Latah County peaked in 1995 because of growth in the *Trade* and *Services* industries. However, between 1995 and 2002, employment has decreased 7.0 percent (see *Seaport Table 2: Labor Force & Employment by County*, on page 10). In spite of the decrease, Latah County has one of the lowest unemployment rates in Idaho. The University of Idaho (U of I), established in 1889, employs more than 40 percent of all workers in Latah County. The U of I's presence provides economic stability and insulates the county somewhat from national economic cycles. A significant economic indicator for Latah County is the size of the student population at the U of I. In 2002, student enrollment increased and is expected to increase again in 2003. However, because of budget cutbacks, employment at the U of I is expected to decrease.

The number of employers in Latah County decreased by 28, to 948, from 2001 to 2002. The decrease was primarily from small employers in the *Services* and *Trade* industries. The number of large employers, those with 200 or more employees, remained the same, but total employment decreased in these large employers. New employers in 2002 were small, with less than five workers. By industry, *Government* accounts for 46 percent of all jobs. Employment in 2003 may increase in *Manufacturing*, *Trade*, and *Services*. Future employment increases in *Manufacturing* will result as computer software and hardware companies that are currently in the U of I's business incubator expand and leave the incubator for larger facilities. *Trade* and *Services* increases will follow increases in the student population at the U of I. Whenever the student population increases, so does the demand for workers in *Trade* and *Services*. *Construction*, also an indicator of economic health for the future, is estimated to increase in 2003. According to builders and planners, the number of jobs in both residential and nonresidential *Construction* will increase through 2003.

Other county developments in 2002 included the following:

- The U of I's signature musical event, the Lionel Hampton Jazz Festival, brought more than \$4 million into the regional economy in 2002.
- The U of I reorganized three colleges and consolidated various programs and departments. These changes are expected to reduce U of I's budgetary shortfall and cut redundant positions.
- Gritman Medical Center in Moscow prepared to become a one-stop-shopping place for the health care needs of Palouse residents. The hospital has launched several multi-million dollar expansions.
- Schweitzer Engineering Laboratories realized growth for the 20th year in a row, expanded the Pullman plant, and opened new jobs on the Palouse.
- AmericanWest, headquartered in Spokane, acquired Bank of Latah in a merger. Both banks are based in small communities in Washington and Idaho. AmericanWest operates eight offices in Washington and Idaho, including ones in Moscow and Orofino.
- Latah County Grain Growers began building two 25,000-square-foot buildings with office and retail space along Sixth Street in Moscow. The project cost is estimated at between \$4.5 and \$5 million.
- Park Place Plaza, a professional office condominium project at the Alturas Technology Park in east Moscow, was completed in 2002. Tenants for the new building include Beckett Accounting, Economic Modeling Specialists (specializing in land management and transportation), McKetta and Associates (specializing in natural resources economics), CCbenefits (specializing in the economics of higher education), and ABSEARCH (an Asbury Street busi-

ness that provides electronic databases about wildlife, ecology, and fisheries through the Internet).

- Horizon Air added nonstop flights between Sea-Tac and Pullman-Moscow airports.
- Enrollment at the U of I increased 2.9 percent, 269 students, in 2002.
- The U of I was awarded more than \$4 million for research projects in the U.S. National Defense Appropriations Bill.
- Verizon laid off 15 workers in Moscow as part of a nationwide layoff.
- Eight U of I building projects were placed on hold because of budget concerns. All state construction projects funded through Idaho's permanent building fund were frozen.
- The U of I accounted for a half-billion dollars in sales in Latah County, with students generating \$90.6 million in off-campus sales according to a U of I/Latah County economic impact survey. While the U of I is the largest employer in Latah County, Washington State University is the second largest.

### **Lewis County**

Annual average employment in 2002 increased from 2001 (see Seaport Table 2: Labor Force & Employment by County, on page 10), but only by 33 jobs. Employment peaked in 1996 at 1,653. In 2002, almost all of the new jobs created were in public schools and food/convenience stores. The percentage of *Manufacturing* (*Lumber & Wood Products*) employment continues to decrease with the closing of U.S. Timber Company's Craigmont sawmill and temporary layoffs at other mills because of low wholesale prices and maintenance concerns. The Craigmont sawmill cut boards, dried and planed rough-cut lumber, and offered dimensional wood cut for specific orders. U.S. Timber Company bought Channel Lumber Company of Craigmont in 1997. The Channel Lumber Company dated back to 1958.

A bright spot in the county's economy is that the amount of money being spent on *Construction* continues to increase. This increase helped stimulate the county's economy in the first half of 2002. *Construction* increased because low land prices allowed people to build houses in Lewis County and commute to work in Lewiston. Three industries—*Agriculture*, *Lumber & Wood Products*, and *Government*—continue to dominate Lewis County's economy. Public lands within the county provide recreational opportunities, helping diversify the economy. Since 1980 jobs in *Agriculture* have decreased by one third. In Lewis County, the number of employers decreased by 1 from 2001 to 2002 for a total of 174.

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# TREASURE VALLEY

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY, & WASHINGTON COUNTIES

## EMPLOYMENT TRENDS

The Boise City Metropolitan Statistical Area's (MSA) average annual unemployment rate for 2002 was 5.0 percent, as shown in Treasure Valley Table 1. This is 1.2 percent above the 2001 annual average rate of 3.8 percent. The number of employed persons decreased by 10,546, or 4.2 percent, from 2001 and the number of unemployed individuals increased by 2,580, or 26.2 percent, over the year. The combination of the decreasing number of persons employed and the increasing number of persons unemployed led to an overall decrease of 7,965 individuals, or 3.1 percent, in the *Civilian Labor Force* from 2001 to 2002. Average annual labor force data for all counties are located at the end of the newsletter in the FYI section, beginning on page 35.

Year-over-year, the Boise City MSA *Nonfarm Payroll Jobs* decreased by 2,847 or 1.2 percent. *Goods-Producing Industries* lost 3,049 jobs since 2001. Job increases were noted only in *Lumber & Wood Products Manufacturing* with a gain of 304 jobs, all in the *Other Lumber & Wood Products* sector. Job decreases were noted in *Construction & Mining*, (-915 jobs), *Fabricated Metal Products Manufacturing* (-71 jobs), *Industrial Communications Machinery & Computer Equipment* (-868 jobs), *Electronic & Other Electrical Equipment & Components Manufacturing* (-1,122 jobs), *Transportation Equipment Manufacturing* (-26 jobs), *Other Durable Goods Manufacturing* (-116 jobs), *Food & Kindred Products Manufacturing* (-116 jobs), *Printing, Publishing & Allied Products Manufacturing* (-76 jobs), and *Other Nondurable Goods Manufacturing* (-42 jobs).

The majority of jobs created in 2002 occurred in *Service-Producing Industries*. These industries created a net 202 new jobs over the year with *Communications & Electricity, Gas & Sanitary Services* increasing 44 jobs, *General Merchandise*

Treasure Valley Table 1: Labor Force & Employment  
Boise MSA, Ada and Canyon Counties

	Projected 2002*	2001	% Change From Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>			
<b>Unadjusted</b>			
Civilian Labor Force	251,343	259,308	-3.1
Unemployment	12,449	9,869	26.2
% of Labor Force Unemployed	5.0	3.8	
Total Employment	238,894	249,440	-4.2
<b>JOB BY PLACE OF WORK</b>			
<b>Nonfarm Payroll Jobs**</b>	229,018	231,865	-1.2
<b>GOODS-PRODUCING INDUSTRIES</b>			
<b>Mining &amp; Construction</b>	15,383	16,298	-5.6
<b>Manufacturing</b>	34,083	36,217	-5.9
Durable Goods	25,821	27,721	-6.9
Lumber & Wood Products	3,047	2,743	11.1
Wood Buildings & Mobile Homes	813	817	-0.4
Other Lumber & Wood Products	2,234	1,926	16.0
Fabricated Metal Products	1,131	1,202	-5.9
Ind. & Comm. Mach. & Computer Equip.	6,965	7,833	-11.1
Electronic & Other Elect. Equip. & Comp.	11,334	12,456	-9.0
Transportation Equipment	1,664	1,690	-1.6
Other Durable Goods	1,681	1,797	-6.5
Nondurable Goods	8,261	8,496	-2.8
Food Products	5,606	5,722	-2.0
Canned Cured & Frozen Foods	1,681	1,720	-2.3
Printing, Pub & Allied Products	1,856	1,932	-4.0
Other Nondurable Goods	800	842	-5.0
<b>SERVICE-PRODUCING INDUSTRIES</b>			
<b>Trans, Comm, &amp; Public Util</b>	12,200	12,352	-1.2
Transportation	6,725	6,921	-2.8
Comm & Elec, Gas & Sanitary Services	5,475	5,431	0.8
<b>Trade</b>	56,285	56,465	-0.3
Wholesale Trade	12,596	12,720	-1.0
Durable Goods	7,697	7,791	-1.2
Nondurable Goods	4,898	4,930	-0.6
Retail Trade	43,689	43,745	-0.1
General Merchandise Stores	5,804	5,653	2.7
Foods Stores	7,408	7,618	-2.8
Eating & Drinking Places	15,359	15,399	-0.3
Other Retail Trade	15,119	15,076	0.3
<b>Finance, Insurance, &amp; Real Estate</b>	11,561	11,408	1.3
<b>Services</b>	63,826	64,336	-0.8
Business Services	14,079	14,772	-4.7
Health Services	19,226	18,150	5.9
Hospitals	9,105	8,361	8.9
Eng., Acct., Res., Mngmt., & Related	5,357	5,107	4.9
Other Services	25,164	26,308	-4.3
<b>Government</b>	35,680	34,789	2.6
Federal Government	5,334	5,169	3.2
State Government	12,968	12,986	-0.1
Education	4,129	4,139	-0.2
Administration	8,839	8,847	-0.1
Local Government	17,378	16,634	4.5
Education	11,184	10,874	2.9
Administration	6,194	5,760	7.5

\* Preliminary Estimate, includes December 2001-December 2002 figures.

\*\*Estimates include all full- or part-time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.

Prepared in cooperation with the U.S. Bureau of Labor Statistics.



Stores adding 151 jobs, *Other Retail Trade* adding 43 jobs, *Finance, Insurance & Real Estate* adding 153 jobs, *Health Services* adding 1,076 jobs primarily *Hospitals*, adding 744 jobs, *Engineering, Accounting, Research, Management, and Related* adding 250 jobs, and *Federal Government, Local Government Education, and Local Government Administration* adding 165, 310, and 434 jobs, respectively. A number of *Service-Producing Industries* lost jobs over the year, with *Transportation* losing 196 jobs, *Durable Goods Wholesale Trade* and *Nondurable Goods Wholesale Trade* losing 93 and 31 jobs, respectively. *Food Stores* lost 210 jobs, *Eating & Drinking Places* lost 40 jobs, *Business Services* lost 692 jobs, *Other Services* lost 1,144 jobs, and *State Government Education* and *State Government Administration* lost 10 and 9 jobs, respectively. The overall loss of jobs in 2002 is consistent with the downturn and slow recovery that the national economy has been experiencing since January 2001.

Tables that show month-over-month changes in labor force and nonfarm employment are located at the end of the newsletter in the FYI section, beginning on page 35.

## SPECIAL TOPICS

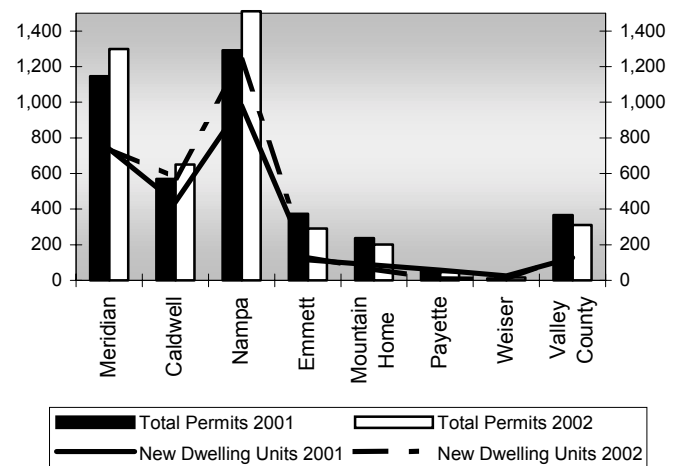
### Construction in 2002

Treasure Valley Table 2 and Treasure Valley Figure 1 show the nine-month cumulative comparison of new dwelling units and total permits for Southwest Idaho in 2001 and 2002. The City of Nampa showed the largest number of new dwellings built in 2002 with 1,237 units, including 1,162 single-family dwelling units and 68 multi-family dwelling units. This is an increase of 25.8 percent from 2001 when, for the same time period, a total of 983 dwelling units were built in Nampa, including 941 single-family dwellings and 18 multi-family dwelling units. Caldwell and Nampa had the largest percentage gains in residential units built over the year with 31.4 percent and 25.8 percent, respectively. The areas that experienced a decrease in construction over the year were Boise, Mountain Home, Payette, and Weiser with decreases of 49.8 percent, 27.9 percent, 84.5 percent, and 76.0 percent, respectively.

Treasure Valley Table 2 shows the total number of construction permits allowed in Southwest Idaho from January through September 2001 and 2002. The City of Boise had the largest number of construction permits approved in the region with 10,814 permits approved in 2002. This is a decrease of 1,246 permits, or 10.3 percent, over the year. Other areas that experienced a decrease in approved building permits included Emmett, Mountain Home, Payette, and Valley County with decreases of 22.0 percent, 15.1 percent, 17.5 percent, and 15.3 percent, respectively. Meridian, Caldwell, Nampa, and Weiser all experienced a gain in approved permits over the year. Meridian increased 13.3 percent or 152

Treasure Valley Table 2: Southwest Idaho Construction Update--9 Month Cumulative				
New Dwelling Units				
	2001	2002	change	% change
<b>Boise</b>	1,511	758	-753	-49.8
<b>Meridian</b>	739	741	2	0.3
<b>Caldwell</b>	439	577	138	31.4
<b>Nampa</b>	983	1,237	254	25.8
<b>Emmett</b>	115	130	15	13.0
<b>Mountain Home</b>	86	62	-24	-27.9
<b>Payette</b>	58	9	-49	-84.5
<b>Weiser</b>	25	6	-19	-76.0
<b>Valley County</b>	127	143	16	12.6
Total Permits				
	2001	2002	change	% change
<b>Boise</b>	12,060	10,814	-1,246	-10.3
<b>Meridian</b>	1,146	1,298	152	13.3
<b>Caldwell</b>	570	651	81	14.2
<b>Nampa</b>	1,292	1,510	218	16.9
<b>Emmett</b>	373	291	-82	-22.0
<b>Mountain Home</b>	238	202	-36	-15.1
<b>Payette</b>	57	47	-10	-17.5
<b>Weiser</b>	11	17	6	54.5
<b>Valley County</b>	367	311	-56	-15.3
Construction statistics originated in Wells Fargo's Idaho Construction Report, Volume 49, Number 9				

Treasure Valley Figure 1: Southwest Idaho Construction Update—nine months cumulative (2001 & 2002), excluding Boise



permits, Caldwell increased 14.2 percent or 81 permits, Nampa gained 16.9 percent or 218 permits, and Weiser increased 54.5 percent or six permits over the same period in 2001. The construction permits account for new residential, new nonresidential, and additions, alterations, and repairs of existing buildings.

## 2002 HIGHLIGHTS

### Boise City MSA

- Several businesses in the Boise City MSA laid off a number of employees in 2002. The layoffs included Jabil Circuit, Inc., which closed its doors and laid off nearly 500 employees in December; Sears Roe-

buck and Co. closed its data center affecting 130 employees; Plexus (formerly MCMS), which laid off 120 employees in January; Electronic Data Systems (EDS) laid off 100 employees and released 125 temporary workers; Consolidated Freightways (CF) laid off approximately 88 employees in the Treasure Valley; the Idaho Elks Rehabilitation Hospital laid off between 40 and 60 employees as the Boise facility struggled with declining admissions; RidgeRun, a Boise high-tech firm, closed its doors in late June, laying off 30 employees; Albertson College of Idaho laid off 20 employees as a result of its budget cutbacks; Boise State University laid off 10 employees (but cut 41 positions); Extended Systems laid off 12 employees at its Boise facility and another 18 worldwide; and Hewlett-Packard laid off 1,800 employees worldwide, but did not announce how many Boise-based employees were affected.

- Micron Technology purchased Toshiba's memory chip plant in Virginia for \$250 million and 1.5 million shares of Micron stock. The sale gave Micron a 600,000-square-foot fabrication plant. Micron Technology also sold all 58.6 million shares of Interland stock in February.
- ZiLOG consolidated all of its Idaho operations under one roof at the Nampa facility in early February. The company also announced that it was seeking approval of a prepackaged reorganization bankruptcy filing as part of the debt plan in which all existing debt and stock of the company was cancelled and all of its secured creditors were paid in full.
- The Hewlett-Packard (HP) and Compaq merger was completed in 2002. Both companies' investors approved the \$20 billion acquisition. HP introduced several products throughout the year, including the HP Digital Projector models xb31 and xb21.
- MPC (formerly MicronPC, now owned by Plexus Corp.) introduced several new products in 2002 including the NetFRAME 1500 and NetFRAME 2500—two new compact servers, and the TransPort GTX3—a new laptop. The company also secured contracts with the U.S. Department of Veterans Affairs, the U.S. Army Reserve, and the Boise School District.
- DirecTV announced in mid-November that it would add 200 customer service positions at its call center in west Boise.
- Expansion plans at the Boise Airport continued through 2002. Big Sky Airlines started service be-

tween Boise and Billings in May. Frontier Airlines started service between Boise and Denver in June. Horizon Air started a daily nonstop service from Boise to Phoenix between October 27 and April 27, and a service from Boise to Hailey between December and March. Boise Airport and military officials announced a plan in November to create an international air cargo hub for military and civilian use, which could add up to 4,000 jobs at the site. The plan requires \$80 million in federal monies and permission from the Pentagon to station up to eight C-17 cargo planes in Boise. Congress would have to make the final decision on the project; if approved, it could be operational within the next decade.

- Washington Group International (WGI) was approved for Chapter 11 bankruptcy reorganization in late January. Terms of the bankruptcy included a new board of directors of WGI. Three people from the previous board remained on the new board. Of the eight new directors selected, six were chosen by the company's secured lenders and two were chosen by the company's unsecured creditors.
- WGI also announced later in the year that it landed a multi-year contract, along with Bechtel National, to build and operate a chemical weapons destruction facility for the U. S. Army. The project is located in Pueblo, Colorado, and will earn revenues between \$800 million and \$1.5 billion for the two companies. WGI also sold its Electro-Mechanical Division of its Westinghouse Government Service Co. to Curtiss-Wright for nearly \$75 million.
- The new Ada County Courthouse held its grand opening in January. The \$62.6 million, five-story, 340,000-square-foot courthouse is part of a 14-acre public/private use area that will include a \$12 million parking garage and Civic Plaza—a \$45 million project that will include 299 apartments, 320 parking spaces, and more than 28,000-square feet of retail space.
- Construction started on Idaho Place, a new higher education complex that will include the University of Idaho and Idaho State University Treasure Valley Programs. The \$140 million campus at the corner of Broadway and Myrtle Streets will also house a water-research facility, an office, and retail space.
- Construction of a mixed use, four-story, 51,000-square-foot building has started on Thirteenth Street between Myrtle Street and Grand Avenue in Boise. The building will contain 14 units of small office and retail space on the ground floor and 42 residential apartments/condos on the other three floors.

- Construction started on the site of the Veltex Building at the corner of Fifth and Main Streets in Boise. The five-story, 50,000-square-foot mixed-use building will include retail and office space, five luxury penthouse condos, and underground parking.
- Construction started on a new Costco store located on Cole Road, south of the Boise Spectrum. The 166,451-square-foot store will feature a 16-pump fuel station, 885 parking spaces, a 5,200-square-foot tire sale and installation center, and a 5,980-square-foot garden center.
- Construction started on the Hampton Inn & Suites near the Idaho Center in Nampa. The four-story hotel will be part of the Canyon Park development. The \$7.8 million, 101-room hotel will be open by early July 2003.
- Construction started on the Technology and Entrepreneurial Center (TECenter), located at Boise State University's (BSU) Canyon County Campus. The \$3.4 million facility is the first building on the BSU West Campus. The 38,000-square-foot center is based on a plan put together by BSU, the Idaho Small Business Development Center, and the U.S. Department of Commerce designed to help local entrepreneurs develop products and businesses by working with BSU resources and faculty. The TECenter is expected to open in early 2003.
- Construction started on the Hispanic Cultural Center of Idaho in September. The \$3.6 million building will include a museum, lecture hall, conference room, gift shop, classrooms, computer lab, a teaching kitchen, and a bilingual library. The Hispanic Cultural Center of Idaho will host cultural events and offer extensive job training and economic development programs.
- St. Alphonsus Regional Medical Center (St. Al's) released an expansion plan in mid-September, "Vision 2010: The Future of Healing." The \$208 million expansion plan includes a new seven-story center at its current site on Curtis Road in Boise, which will include operating rooms built for robots and new patient rooms that are designed to welcome and involve families. Construction started on the \$11 million outpatient care center in September, which is expected to open in April, and will include two operating rooms for outpatient surgery, an urgent care clinic, offices for family and internal medicine doctors, and radiology services including x-rays, mammography, and ultrasound. Also included in the expansion plan will be outpatient centers in Eagle and Meridian.
- St. Luke's Meridian Medical Center opened its new cancer clinic in April. The new treatment center allows St. Luke's Mountain States Tumor Institute to provide radiation treatments to 25-30 patients per day, and allows more cancer patients to get treatment closer to home.
- Terry Reilly Health Services purchased the Melba Rural Health Clinic after it was in danger of closing due to financial struggles. Terry Reilly Health Services broke ground in mid-November for a new health clinic that will open in spring 2003. The 3,500-square-foot clinic will replace the current facility in Melba. The clinic will offer dental services in addition to the medical services provided by the previous clinic. It will serve about 10,000 people annually.
- The Bruce Mitchell Science and Technology Center opened in Parma in January. The \$1.3 million center is shared by middle and high schools in the area, and includes biology labs, computer stations, a hardware lab for teaching computer assembly, and a lab to analyze DNA samples. The center features digital "smart-boards," which are high-tech blackboards that display text, graphics, video, and traditional handwriting.
- Business openings occurring in the Boise City MSA in 2002 included: Albertsons, Inc.'s Westpark Technology Center; OshKosh B'Gosh; Springmaid-Wamsutta; Hanes Bali Playtex; Farberware; Best-Buy; Robert Comstock Design Studio; Pacific Salon Systems; Home Federal Savings; Zions Bank; Sliders Indoor Kart Racing; Self Storage; Club Mantis; Tuesday Morning; IHOP; Fish, Aquariums & Stuff; Headshots; Commercial Tire; Arby's; Wireless Gateway; Wal-Mart Supercenter; the Red Feather Lounge; DeMarcos; a new Washington Trust Bank branch; AutoZone (Boise and Caldwell); Blue Sky Bagels; Just Strays Animal Foundation Feline Adoption Center; Panaderia & Pasteleria; American Family Insurance; Maggie Moo's; Baja Fresh; PetCo; a second Shooting World Outdoor Range; Gold's Gym; the Glass Doctor; Whitewater Pizza & Pasta; George's Cycles; Snake River Management; Clear Choices Skin Care & Electrolysis; Mountain West Business Solutions; Penton Law Offices; Marshalls; Goodwood Barbecue; Avonlea; Fantastic Sams; Quizno's; Claiborn Waite Consulting, LLC; Kahootz Pub & Eatery; Hampton Inn; a Mountain West Bank branch, a Pioneer Federal Credit Union branch; the Porterhouse; a Idaho Central Credit Union branch; Graphic Solutions; Sara's Barkery; Behind the Chair Hair and Nail Salon; a Pioneer Title branch; Two Rivers Salon & Spa; a new Chappala restaurant location; the Tux Store; a new sports arena near the Idaho Center; the Community Family Shelter; Hostel Boise; Maxine Horn &

Co. Realtors; the Real Estate Store; the Yesteryear Shoppe; Clean Flicks; Farm & City Supply; Harvest Classic Deli; Rock, Paper, Scissors; a Wells Fargo Bank branch; the Tucker Bean Co.; a new El Tenampa restaurant location; Impact Training Center; Fun/Sun Tanning; Toni's Country Cuts; Plum Creek Cottage; an Intermountain Community Bank branch; Austin Family Chiropractic; the Simple Seasons; Benchmark Electric; Only One Dollar Store; Oasis Day Spa and Wellness Center; Bennett Chiropractic Center; Oasis Café; Birds of Prey Harley Davidson store; Freedom Skate Shop; Walgreens; a Farmers and Merchants State Bank branch; the Caldwell Family Resource Center; and the Roastere (Caldwell and Kuna).

- In other business news that occurred in the Boise City MSA in 2002, Portsmith, Inc. was purchased by Mobility Electronics of Arizona; Albertsons Grocery Store on State Street and Gary Lane was remodeled; Mountain View Credit Union moved to new offices on Dresden Place in Garden City; Catalina's Taco Loco expanded; Riverside Embroidery & Screen Printing expanded; Idaho Insurance Associates moved to Bank Drive; Reel Theaters reopened Towne Square Cinemas; the former Sav-On Drug Store on Bogus Basin Road re-opened as Crane Creek Market; Bolo's downtown eatery closed; Shabahang Persian Carpet in downtown Boise closed; Four Seasons Travel merged with Harmon Travel; construction began on Life's Doors Hospice and Life's Doors Home Care Solutions; Budget Office Furnishings announced plans to move to the former Skateworld building on Cole Road; construction has started on Lithia Ford's new building located at the corner of Fairview and Maple Grove—the site of the former Smiths Food and Drug Center's half-finished building; construction started on the new Eagle City Hall; construction started on a Johnny Carino's Country Italian Restaurant in Meridian; Intermountain Outdoor Sports closed all three of its locations; the Boys and Girls Clubs of Ada County started renovations of the former Meridian police station; the Meridian Chamber of Commerce moved to a remodeled office; Norco constructed and opened an air-separation plant in Nampa; Suicycle reopened in Nampa; construction started on a Sunrise Café in downtown Middleton; Best Inn and Suites in Caldwell changed its name to LaQuinta; Lanny Berg Nissan moved from Caldwell to Nampa and will now occupy the Edmark Chevrolet dealership; ConAgra Foods sold 54 percent of its meatpacking business to Hicks, Muse, Tate and Furst of Dallas and Booth Creek Management of Vail—the company officially changed its name to Swift & Com-

pany; Kit Manufacturing sold its Caldwell recreational vehicle division to Scott Thorpe and put its manufactured homes division up for sale; groundbreaking occurred on the new Caldwell Fire Department substation near Oregon Street and Ustick Road; the Caldwell Chamber of Commerce and the Caldwell Economic Development Council moved to shared space in the former City Hall in Caldwell; four Brueggers Bagels locations in the Treasure Valley closed, with three reopening under new ownership as Rocky Mountain Bagel Bakery. All three of these closed, but the location at Fourth and Main Streets in Boise reopened under new ownership as Blue Sky Bagels.

### **Adams County**

- The Adams County Historical Society was awarded a \$150,000 grant in early 2002 from the Idaho Department of Commerce's economic development program for the renovation of the former railroad depot in New Meadows. The project included repairing the roof, renovating the exterior brickwork, extending the south wall of the depot's freight room, renovating the area into a 1,750-square-foot multipurpose area with a portable stage, and renovating the main floor restrooms.
- Clearwater Research closed its Council location, citing economic realities as the reason. The company determined that eliminating the Council satellite office and consolidating services in Boise would improve efficiencies. The closure affected 42 employees; all employees were offered positions at the Boise facility.
- Council's Brown Building, which was remodeled in 2002, now houses the Council Chamber of Commerce and the Washington-Adams Visions for Entrepreneurship group (WAVE). Jim Birdsall, community and economic development consultant, also has an office in the building.
- In other business news in Adams County in 2002, Dr. Monte Eppich opened dental practices in Cambridge and Council, the New Meadows Shavers was sold to new owners and is now named the Meadows Valley Market, and the Council Shavers was sold to new owners and is now named Ronnie's.

### **Boise County**

- Warm Springs Resort in Idaho City closed in 2002. A private buyer purchased the hot springs, pool, cabins, and campground on 77 acres, and closed it to the public. The previous owners tried to sell the resort to the city or community so it could remain open to the public, but those efforts failed.

- Bogus Basin Ski Resort extended the 2001-2002 ski season by an additional week—until April 14—because of unseasonable snowfall in mid-March. The 2001-2002 season proved to be a record year for the resort with 303,000 skier visits, which is 12,000 more than the previous season. Bogus Basin also announced long-term plans to provide nearly two-and-a-half times the existing facility space. The current space is about 41,000-square feet and will increase to about 100,000-square feet of space. Plans include expanding the main base area and making some improvements to Pioneer Lodge. Eventually, officials would like to see a separate ticket sales building, a new ski rental shop, a retail operation with ski accessories, a ski school, child-care facilities, child learning center, and new housing for the race team. Early estimates put the project cost at \$7 million. A dramatic increase in the number of skiers and snowboarders indicate a need for the expansion. In early October, Bogus Basin hired about 500 seasonal employees to work various positions including day-care and parking attendants, ticket and retail shop cashiers, ski and snowboard instructors, snow cat and lift operators, and safety and ski patrol members. Employees are paid a minimum of \$6.25 per hour plus benefits and, if they stay through the season, they could receive a bonus.

### **Elmore County**

- Kmart Corporation closed its Mountain Home store in May as part of its closure of 284 stores nationwide. The company did not offer any transfers to employees of the corporation involved in the 284 store closings, but employees are encouraged to apply for Kmart jobs elsewhere. The Mountain Home Kmart employed 170 persons at one time, although the actual number of jobs lost at the time of the closure was considerably lower than that.
- The Magic West processing plant in Glenns Ferry, and another plant in Rupert, was sold to Idahoan Foods of Lewisville. The sale of the two processing plants allows the former owner to focus his attention on two other area businesses: Carmela Winery in Glenns Ferry, and Quality Produce in Boise.
- The Mountain Home Air Force Base (MHAFB) completed several projects in 2002 including resurfacing the runway, repaving the “transient” ramp located in front of the base operations, replacing the instrument landing system, performing environmental remediation on several sites, upgrading the airfield approach lighting, installing a new main sewer line around the north end of the runway, repairing a major drainage ditch, replacing a portion of Alpine Street, repairing a portion of the

JP-8 fuel hydrant system, and replacing 135 slabs on taxiway Alpha. MHAFB also lost two squadrons in early June due to restructuring. MHAFB was a composite wing with a variety of aircrafts. Following the reorganization it is an all-fighter wing. Base headquarters in Mountain Home will now be known as the 366<sup>th</sup> Fighter Wing. The new fighter wing flies F-15Cs, F-15Es, and F16CJs; MHAFB is also a contender for the next generation fighter—the F-22.

- The groundbreaking ceremony for the new city police department, located on East Eighth North Street in Mountain Home, took place in May. Completion of the new facility will allow the department to consolidate records and officers into one building. The 9,100-square-foot, \$2,075,000 project is expected to be completed in mid-2003.

### **Gem County**

- The Gem County jail bond passed in June after eight failed attempts. Nearly 75 percent of voters supported the ninth jail bond. Construction started on the building, and it is expected to be completed in September 2003.
- Five acres of Boise Cascade property were transferred to the Gem County Recreation District. The property is located at West Main and Canal Streets in Emmett and is valued at over \$212,000. The land will most likely be used to build a community center, although other considerations for the land include creating an indoor recreation center or building an interpretive center featuring information on Gem County’s history.
- Gem County and hospital officials began looking at a renovation/expansion project for Walter Knox Memorial Hospital. The project would cost nearly \$6 million and would complete the last two phases of the facilities’ renovations that started five years ago. These phases of the project could add approximately 4,500-square feet to the existing facility. The hospital’s regular revenue will be used to finance the \$6 million project.
- A King’s Discount Department Store will be built at the intersection of Highways 19 and 52 in Emmett. The 14,000-square-foot building will be completed in 2003; the business is scheduled to open in May and employ 14 full- and part-time people.
- Albertsons, Inc. announced plans in early November to open a new store in Emmett by summer 2003. Construction began in November. The new store will replace the current Albertsons located on Washington Avenue and will be about twice as large. The new store, which will be located on the northeast corner of Johns Avenue and Highway 16,

will feature larger departments with a wider selection of products. About 100 people are currently employed at the Emmett Albertsons; when the new store opens, additional employees will be hired.

- Other business happenings in Gem County in 2002 include: the opening of Autumn Court—a senior living establishment; the opening of the Rumor Mill Bakery and Gift Shoppe; the opening of Y & J's Classical Boutique-N-Things; the reopening of Swing Scene in Emmett; the approval of a special use permit for a youth rehabilitation center; and the closure of Emmett Ford.

### **Owyhee County**

- The Valley Merc in Bruneau closed its doors in early September. This was the only general store in the community, and now residents must travel twenty miles to Mountain Home for groceries and other goods. In an auction this summer, the grocery store, laundromat, café, convenience store, gas station, motel, and bar were offered for sale, but the bar was the only business that sold.

### **Payette County**

- The annual Payette Apple Blossom Festival was held May 9 to 19. Highlights of this year's festival included the Royal West Carnival, the annual parade, various breakfasts and dinners, pie eating contests, food vendors, lawn mower dragster races, karaoke entertainment, various concerts performed by local bands, a pig scramble, mud volleyball, skateboard competitions, and the Apple Blossom Rodeo.
- The second phase of a four-phase renovation project at Holy Rosary Medical Center in Ontario was started in August. A 65,000-square-foot addition is being constructed that will house outpatient and emergency services as well as surgical facilities. This phase of the renovation project will cost nearly \$20 million and will provide more efficiency. No completion date was set.
- Ground was broken for a new industrial park in New Plymouth in early September. At the groundbreaking ceremony, Idaho Governor Dirk Kempthorne presented the city with a grant check for \$245,000. The grant was provided by the Rural Development Initiative Program of the Idaho Department of Commerce, and will be used to extend city services, including water and sewer, to the industrial park. One business, Noyes Apiaries, Inc., will construct a honey-packing plant on the site that will create 28 jobs within two years after the completion of the industrial park. The plant is scheduled to open in April 2003.

- Several businesses opened in Payette County in 2002, including Coldwell Banker Classic Properties, Body Shop Fitness, the newest El Tenampa restaurant, Ogawa's Teriyaki Hut, Family First Chiropractic, L&L Enterprises, and 4B's Storage & Stuff. Other business events included the construction and opening of the Brandon Bay Apartment Complex, the reopening of Arctic Circle, and the remodeling of the pilot's lounge at the Payette Airport. The Payette County Department of Motor Vehicles moved to a new office building, DJ Foods in New Plymouth announced it will reopen at the Al's Market Location, and Internet Truck Stop will convert the former DJ Foods location into office space.

### **Valley County**

- Tamarack (formerly WestRock), a \$1.2 billion four-season resort on Lake Cascade near Donnelly, reached final approval from the State of Idaho Land Board in mid-May. Tamarack is envisioned to be a full-service resort featuring a large ski hill and an 18-hole golf course. Resort activities will be supplemented with hiking, biking, and snowshoeing. The resort's development is expected to occur over the next 18 years. Valley County officials recently approved the conditional use permit to begin construction, which began in August under the direction of WGI. The initial phase includes building roads and installing basic utilities. The next phase, scheduled to begin in summer 2004, includes a golf course, a mountaintop restaurant with a retail outlet, a fire station, ski lifts, about 300 village dwelling units, and 20,000-square feet of additional commercial space. The projected grand opening for Tamarack is the summer of 2005.
- Ground was broken in early May on the \$5.6 million McCall Ice Rink and Event Center, located on East Lake Street between First and Second Streets in McCall. A year-round refrigerated ice rink built to NHL specifications will be the centerpiece of the complex. The center will also have bleachers, seating 600, two locker rooms, a concession area, and an eating plaza that will seat an additional 40 persons. Adjacent to the rink, a 50-car two-level parking garage will be built to help ease parking along the already busy street. The complex is scheduled to open by July 4, 2003.
- Whitetail Club (formerly Shore Lodge) opened in mid-June after being closed for almost two years for renovations. The lodge and the 18-hole golf course were opened with a new focus as a mostly private facility, closed to the public. Whitetail was open for a few months then closed its operations on October 14 with plans to reopen on May 1, 2003.

Some full-time security, engineering, and maintenance staff, including golf course personnel, have continued working at Whitetail while office personnel continue taking reservations and making catering arrangements for next summer. While Whitetail is closed, the company plans to "polish staff and get systems in place." Twenty full-time and 20 part-time people are employed at Whitetail.

- Boise Corp. (formerly Boise Cascade) held an auction of the sawmill's building and equipment at the facility in Cascade in late July. The dismantling of the mill started in October. In the spring, the company will start rehabilitating the site, a process that could take a few years. No information was released on what the company will do with the land once the dismantling and clean-up projects are finished. The City of Cascade may annex the former Boise Cascade sawmill property into the city. The property could net nearly \$3,500 in taxes as well as be covered by city planning codes in case of any future development. Boise Corp. officials will remove all debris from the property before the company will decide what to do with the property.
- Ashley Inn, a new 65-room hotel in Cascade, had a groundbreaking ceremony in May. The project was made possible by a \$406,000 grant to the city of Cascade from the Idaho Department of Commerce that paid for new sewer and water lines to the site. The new 40,000-square-foot building includes a conference and reception center, meeting rooms, and an indoor swimming pool and spa. The hotel is expected to employ 30 persons when it opens in 2003.
- Spring Mountain Ranch, a residential development near McCall, placed 26 of its home sites on the auction block in mid-October. The development was originally scheduled to include 750 home sites at its inception in the early 1990's, but has been scaled back to 250 sites following slow sales in the past decade.
- A Boise development group recently proposed the construction of a \$6 million complex near downtown McCall. The complex would include a 90-room hotel and 10,000-square-foot conference center.
- Ridley's, an Idaho grocery chain, purchased Shaver's in McCall in late April. Ridley's moved into the 36,000-square-foot Shaver's location and closed its 18,000-square-foot dry goods store. Ten Ridley's employees were moved to the new store. The sporting goods and clothing departments were moved to the new Ridley's, making it the only Ridley's in the chain that sells clothing.

- Several other businesses opened in Valley County over the past year including the Bird Nest in Donnelly, the Fabric Hutch, TNT Skateboard Shop, Native Vision, and Mountain Monet, all in McCall; West Bridgewater Antiques and CrossRoads Antiques, both in New Meadows. A new Washington Federal Savings building was constructed and opened in McCall and the McCall office of the Idaho Small Business Development Center moved to the McCall Job Service building. Mile Leavitt assumed ownership of Alpha & Omega Computers in McCall from Bill Orton, Dr. Jennifer Gray joined the Payette Lakes Medical Clinic staff, Kate Farmer joined four other physical therapists at Pro-Active Physical Therapy in McCall, Meg Fairfield joined Rumors Salon in McCall as a massage therapist, and Candy Kibby joined the salon as a stylist.

### **Washington County**

- The National Oldtime Fiddlers' Contest and Festival celebrated its 50<sup>th</sup> anniversary this year in Weiser in mid-June. More than 350 fiddlers played in various competitions; more than 1,100 volunteers monitored the festival that featured cow pie bingo, karaoke, high-tech virtual fiddling, a carnival, entertainment, and a bikers rodeo, in addition to the thousands of fiddlers and spectators who lined the streets of Weiser.
- Construction of Wolverine Stadium in Memorial Park in Weiser started in late May. The school district contributed \$40,000 from its accumulated fund of state lottery proceeds, and the City of Weiser contributed \$40,000 borrowed from its cemetery fund to build the football stadium. A new press box will be placed on top of the 15<sup>th</sup> row of the new bleachers, donated by the Weiser Lions Club. Construction of the bleachers started after the 300-foot base was excavated and filled with gravel. The bleachers should be completed in mid-June.
- Other business happenings in Washington County included several new openings: a Quinco Credit Union branch in Weiser, Dr. Monte Eppich's dental practices in Cambridge and Council, and Dr. Shane Newton's dental practice in Weiser. Adam Mendenhall, physical therapist, and Kristi Belnap, speech language pathologist, joined the staff at Weiser Rehabilitation and Care Center. The East-side Market in Weiser was demolished in 2002.

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# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## EMPLOYMENT TRENDS

2002 was a very good year for the Magic Valley economy despite a great deal of outside recessionary pressure on a statewide and national basis. Estimated annual average unemployment for the Magic Valley Labor Market Area (LMA)—Gooding, Jerome, and Twin Falls Counties—was 3.9 percent as shown in Magic Valley Table 1. This is one-tenth of a percentage point lower than the 2001 rate of 4.0 percent. This was accomplished by a 3.1 percent increase in the *Civilian Labor Force* coupled with a small increase in unemployment from 2001. This low unemployment rate and the downward trend was opposite of most areas in the state that showed an upward trend in unemployment in 2002.

The trends in 2002 *Nonfarm Payroll Jobs* show that there was robust growth in the first half of 2002, but by the end of the third quarter job growth was flattening. In the fourth quarter the trends moved slightly downward as the economy showed signs of cooling and employers showed more caution in new hiring. The sectors that showed increases year-over-year were *Manufacturing-Durable Goods* and *Services* with gains of 11.2 percent and 8.0 percent, respectively. Sectors of interest that showed downward trends in 2002 were *Mining & Construction*, *Manufacturing-Nondurable Goods*, *Retail Trade*, and *Government-Education* with decreases of 5.3 percent, 1.2 percent, 1.1 percent, and 4.1 percent, respectively. *Mining & Construction* decreases were due to a drop off in heavy construction. Many road and commercial building projects wrapped up early in the year and so numbers were off slightly. The downward trend in heavy construction was offset somewhat by new home construction, espe-

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding Counties

	Projected 2002	2001	% Change From Last Year
INDIVIDUALS BY PLACE OF RESIDENCE			
Civilian Labor Force	50,360	48,690	3.1
Unemployed	1,980	1,950	1.5
% of Labor Force Unemployed	3.9	4.0	
Total Employment	48,380	46,740	3.2
JOBS BY PLACE OF WORK			
<b>Nonfarm Payroll Jobs**</b>	39,030	38,720	0.8
<b>Goods-Producing Industries</b>	7,030	7,080	-0.7
Mining & Construction	1,790	1,890	-5.3
Manufacturing	5,240	5,190	1.0
Durable Goods	990	890	11.2
Nondurable Goods	4,250	4,300	-1.2
Food Processing	3,220	3,310	-2.7
Other Durable Goods	1,030	990	4.0
<b>Service-Producing Industries</b>	32,000	31,640	1.1
Transportation, Comm., & Utilities	2,690	2,720	-1.1
Wholesale Trade	2,310	2,290	0.9
Retail Trade	8,050	8,140	-1.1
Finance, Insurance & Real Estate	1,310	1,390	-5.8
Services	10,300	9,540	8.0
Government Administration	3,820	3,890	-1.8
Government Education	3,520	3,670	-4.1

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month.

cially in Twin Falls County. Twin Falls set a record in 2001 for new housing starts and was on record pace in 2002, and this type of construction helped balance out the overall trend. The slight drop off in the *Retail Trade* sector is noteworthy because it had been a high growth sector in the past few years. Although new retail businesses came to town, existing employers were cautious in hiring new workers, choosing to expand existing employees' hours instead. The downward trend in *Government-Education* is a result of serious state revenue shortfalls in 2002. Many school districts had to cut some teaching positions and eliminate many related positions such as clerical and teacher's aide jobs.

Overall, however, 2002 was a good year for the Magic Valley LMA. The agricultural sector had a better-than-average year regarding prices in most commodities, and water levels were adequate for the crop year. The dairy sector experienced lower prices, but remained steady in em-

ployment. Food processing continued to be steady in the western Magic Valley; however, the announcement in May 2002 that the J.R. Simplot potato processing plant in Heyburn would close in April 2004 sent shock waves throughout South Central Idaho. Not only will nearly 600 people eventually lose their jobs, but nearly 24,000 acres of potatoes will be affected. Growers will either have to sell potatoes on the open market or convert to a different crop mix. The estimated impact on the Mini-Cassia economy is expected to be close to \$100 million per year. This could impact the Magic Valley LMA, but thus far has not caused major problems in the western Magic Valley as far as consumer spending and unemployment is concerned. The year 2002 also saw the opening of the Dell Computer Company's consumer technical support center in Twin Falls, and virtually overnight a burgeoning technology sector was born in South Central Idaho. Dell originally hired 120 workers beginning in January 2002 and by December its staffing levels reached nearly 750 workers. The Dell jobs were a significant contribution to the low unemployment rates in the area and improved wage levels. Other employers such as Solo Cup and WestFarm Foods, Inc. announced expansion plans and intentions to hire additional workers. WOW Logistics, Inc., a Wisconsin company, built a 250,000-square-foot warehouse in Jerome, hired approximately ten workers, and is expected to expand. Ten new retail, restaurant, and financial businesses opened in the new Canyon Rim retail development, hiring hundreds of new workers.

It is not an exaggeration to say that the Magic Valley was a bright spot and an economic leader in the state of Idaho in 2002. Low unemployment and modest job growth were the opposite of statewide and nationwide trends. The outlook for 2003 is somewhat uncertain. There is a serious need for significant winter snows to ensure that there will be adequate water for the crop year. If water is adequate, agriculture should be average in 2003; the effect of the Simplot closure will be a probable drag to this sector. New job creation will probably continue to slow in the *Retail* sector since much retail expansion took place in 2002 and not a lot of new projects are on the horizon for 2003, whereas the *Services* sector may show some modest gains, possibly in the medical sector. Employers will be cautious hiring new employees in most sectors; much will depend on the rebound of the national economy and an improving stock market. Consumer confidence should remain fairly high in the western Magic Valley, but will deteriorate in the Mini-Cassia area as unemployment rates rise in that economy. Travel and tourism should be average. The

Sun Valley resort was able to open two days early and has had a significant increase in the number of tourists skiing in the area so far. If the weather cooperates throughout the winter, the Sun Valley economy should be better than in 2001. In the Magic Valley tourism is expected to be average.

Continued state revenue shortfalls are expected to continue, at least through the first half of 2003, and this will continue to have an impact on government jobs. Though it is expected that unemployment will rise slightly in the Magic Valley, it should not rise above 4.5 percent. Unemployment may reach double-digits in the Mini-Cassia area, and it is already over 7.0 percent. In summary, job growth is expected to flatten out and unemployment rise slightly, however, the Magic Valley economy should continue as a leader in the state, and should be poised for robust growth as state and national economies improve.

## AREA DEVELOPMENTS

### Twin Falls County

- Dell Computer Company opened its new computer technical support center in Twin Falls and held its grand opening in February at its new location in the Albertson Building on Pole Line Road in Twin Falls. Governor Dirk Kempthorne, Department of Labor Director Roger Madsen, and Department of Commerce Director Gary Mahn, along with many state and local officials, attended the event. Dell initially hired 120 workers in January; Dell now has 750 employees. Dell also diversified and formed Consumer Advocacy Groups (CAG) where workers help customers with such issues as billing problems, charging, and timely delivery. This makes Dell a strong player in the Twin Falls economy and one of the largest employers in the area with approximately 150 CAG workers in addition to the 600 consumer-technical support employees. Dell reports extreme satisfaction with South Central Idaho workers.
- A new Walgreen's store opened in Twin Falls in November. The new store, located at the corner of Heyburn Street and Blue Lakes Boulevard, hired approximately 40 new employees. Walgreen's used Magic Valley Job Service's facilities for its initial hiring.
- The North Canyon Rim Project on the Twin Falls side of the canyon opened this year with many retailers, restaurants, and financial institutions. The new retailers are Old Navy, T.J. Maxx, Famous Footwear, and Michaels. The new restaurants include the International House of Pancakes. Johnny Carino's Country Italian Restau-

rant, and Outback Steakhouse. Zion's National Bank opened a full-service branch banking office on the canyon rim in November. From all of these retailers, over 200 new jobs were created in 2002, and this helped Twin Falls solidify itself as a retail hub and shopping destination. A Golden Corral Restaurant will also open soon at this location.

- Snake River Pool & Spa celebrated the grand opening of its new 4,500-square-foot showroom and customer service center located near its old location on Blue Lakes Boulevard North. For 20 years, Snake River Pool & Spa operated from a converted house. The new facility also has an extra 1,500-square-foot area that houses a new Papa John's Pizza.
- Andersen Lumber Company in Twin Falls announced its immediate closure in December 2002. The long-time Twin Falls business had built a new retail center in the late 1990's, but closed the facility in late 2001. The original retail closure affected approximately 80 full- and part-time workers, but the company kept its lumberyard open until the final closure this month. The lumberyard closure affected another 20 employees

#### **Blaine, Camas, Gooding, Jerome, and Lincoln Counties**

- The Sun Valley Company opened the resort two days prior to Thanksgiving for the first time in several years. The combination of good mountain snows and cold weather for their snowmaking machines made the early opening possible. Sun Valley counted 29,264 skiers from November 26 to December 15. This was up considerably from the 25,778 skiers reported for the same time period in 2001. If weather conditions persist and bookings continue, the outlook for the 2002-2003 ski season remains strong with new and varied tourism packages that have been very successful.
- On December 15, 2002, the first non-stop flight between Hailey and Los Angeles took place. This flight will be useful both for business commuters and tourists. The City of Hailey obtained a \$600,000 travel grant from the U.S. Department of Transportation to help with airport improvements.
- WOW Logistics, Inc., held a groundbreaking ceremony in the spring of 2002 for its new 250,000-square-foot facility near Jerome Cheese in the Jerome Industrial Park. Governor Dirk Kempthorne, Department of Labor Director Roger Madsen, and Department of Commerce Director

Gary Mahn along with many legislators and local officials attended. WOW Logistics used the Magic Valley Job Service facilities to hire its initial staff.

- The cities of Jerome and Hagerman were recently awarded \$420,000 in economic development grants. These grants were part of \$1.6 million in grants statewide announced by Governor Dirk Kempthorne. The City of Jerome received \$199,000 in federal funds to build sewer and water loops to serve WOW Logistic, Inc.'s new distribution warehouse. WOW's \$6.4 million facility will eventually employ approximately 20 people and new industrial sites will be developed allowing the city to meet its economic development objectives. The City of Hagerman received \$220,000 to help improve the downtown area and expand a local grocery store, creating 15 new jobs. The city will demolish hazardous buildings and will build a public parking lot that will accommodate RV parking.
- The Walker Center in Gooding broke ground on a new housing facility to be completed by March 2003, which will accommodate up to 32 adults and 16 adolescents. The \$4.5 million project is being financed in part by a \$1 million guaranteed loan from the U.S. Department of Agriculture's Rural Development Fund, a \$1 million donation from Archie and Amy Walker, and a \$363,000 Community Development Block Grant secured by the City of Gooding based upon the 44 jobs the facility will create.
- Tele-Servicing Innovations, Inc. (TSI) in Jerome announced the closure of its call center facility. The facility opened in August 2001. The company cited slower-than-expected national economic recovery as the reason for its closure, which affected approximately 50 workers.

#### **Cassia and Minidoka Counties**

- A late Christmas "miracle" took place this year for former TSI workers. Late in November Tele-Servicing Innovations, Inc. decided that it could no longer keep its doors open due to cash flow difficulties and that 51 workers would need to find new jobs. Fortunately, former Mini-Cassia resident Korey Thurston was spending Thanksgiving with his family in the area, heard about the closure, and decided that the TSI workforce was just what he needed in his business, Marketing Solutions International, Inc., headquartered in St. George, Utah. Within a few days, Thurston hired at least 40 of the displaced employees who began

work immediately. The workers did not have to move as they are working at the same location.

- McCain Foods USA remodeled its two potato processing plants outside of Burley, which included a new design upgrade and new processing equipment. The project improved product flows and product quality. The company also constructed a new lunchroom facility for its employees.
- The Mini-Cassia Development Commission sponsored a two-day dairy tour and presentation regarding the feasibility of the Mini-Cassia area accommodating dairies to help alleviate the stress and economic impact of the Simplot closure. The group toured the Midway Dairy near Raft River and the Whiteside Dairy between Minidoka and Acequia. Terry R. Smith of Dairy Strategies, LLC in Madison, Wisconsin, presented a report on the economic impact of new dairies and milk processing plants in Minidoka and Cassia Counties, which stated that 20 dairies with a cash investment of \$243 million would result in approximately 35 jobs per dairy at an average wage of \$22,000 per year. The report also stated that the dairy expansion would more than compensate for the projected job losses and economic impact of the Simplot closure, and would lead to long-term growth and economic strength in the area.
- The Burley Kmart closed permanently in May. This closure displaced over 75 full- and part-time workers. Most of the employees worked until the closure. Real estate agents are looking to place a new business tenant in the 91,266-square-foot building and are hopeful that the empty store will be a useful economic development tool to attract new businesses into the Mini-Cassia area.
- Kraft Foods North America, Inc. in Rupert announced that it would permanently reduce its workforce by 50 full-time employees—this would reduce its workforce from 130 to 80 workers. According to a company statement, "... the decision is due primarily to excess manufacturing capacity at our Rupert plant." The plant makes only Philadelphia Cream Cheese and Philadelphia Neufchatel Cream Cheese and will continue to do so. The reduction in force took place in mid-November. The employees received severance packages commensurate with their company tenure.
- In May, the J.R. Simplot Company announced that it would be permanently closing its Heyburn

facility by April 2004. At the time of the announcement, 649 workers were employed at the plant. The Idaho Departments of Labor, Health and Welfare, and Commerce, along with the College of Southern Idaho, Region IV Development Association, and other local agencies, formed a Rapid Response Team to quickly assist workers that would be displaced. In August, Governor Dirk Kempthorne announced the awarding of a \$4.9 million National Emergency Grant from the federal government and approval of a Trade Act petition, which will help displaced workers with reemployment services. At the end of October, 168 workers were laid off; the remaining layoffs will occur at closure. This was a devastating blow to the Mini-Cassia economy with an estimated annual payroll of approximately \$25 million. Along with the layoffs is the uncertainty of what will happen to the nearly 24,000 acres of potatoes Simplot uses yearly. Farmers will have to make decisions regarding their crop mix in the future. Using a money multiplier of 2.2 and a job multiplier of 2.0 jobs lost for every one job lost at Simplot, it is expected that the annual dollar impact to the Mini-Cassia economy may be nearly \$1 million annually and the initial job loss could total 1,500 in the area.

- The Mini-Cassia Chamber of Commerce voted to join the Southern Idaho Economic Development Organization to make a regional effort in economic development. The Mini-Cassia Development Commission is a subcommittee of the Mini-Cassia Chamber of Commerce. The \$20,000 fee was raised by local businesses, especially First Federal Savings Bank, which matched funds up to \$10,000, and the goal was exceeded. This move will provide assistance to the Mini-Cassia area to promote itself as a great place to live and work.

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# SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

## 2002: THE YEAR IN REVIEW

Southeast Idaho moved into 2002 stunned by the terrorist attacks of September 11, reeling from a national recession and corporate scandal, and plagued by a third year of continued drought. In 2002, the area began to realize the full effects of events that occurred late in 2001. The terrorist attacks of 2001 nearly halted an already slowing economy. Travel and tourism slowed to a crawl and the stock market suffered its worst loss since 1987. As the national and global economic slowdown continued, the War on Terrorism began, the threat of war with Iraq loomed, a stubbornly poor stock market continued, and global competition increased, many local businesses reduced staff or closed. Locally, the loss of jobs at American Microsystems, Astaris, Monroc, Suprema Cheese, Union Pacific Railroad, J.R. Simplot Co., and Agrium eliminated more than 1,000 jobs in Southeast Idaho. Two series of state budget holdbacks eliminated jobs in state government, and the combined reductions increased Southeast Idaho's annual average unemployment rate from 4.8 percent in 2001 to 5.3 percent in 2002. The full effect of the economic downturn was realized.

Drought persisted for the third consecutive year and two late freezes forced replanting of some crops. What was thought to be an extremely bad year for crops turned out to be a relatively good growing season and growers found the market prices for crops higher than in the previous three years.

Despite the area's economic problems in 2002, many people remained employed and businesses continued to grow, build, and open in the area. Economic developments, such as the establishment of a high-tech corridor in Eastern Idaho, provided encouragement and the area is poised for expansion as soon as the national and global economies improve.

## EMPLOYMENT TRENDS

The Pocatello Metropolitan Statistical Area's (MSA) average unemployment rate is projected to rise 1.1 percentage points, from 4.7 percent in 2001 to 5.8 percent in 2002 as shown in Southeast Idaho Table 1. Despite business closures and job reduc-

Southeast Idaho Table 1: Labor Force & Employment  
Pocatello City MSA (Bannock County)

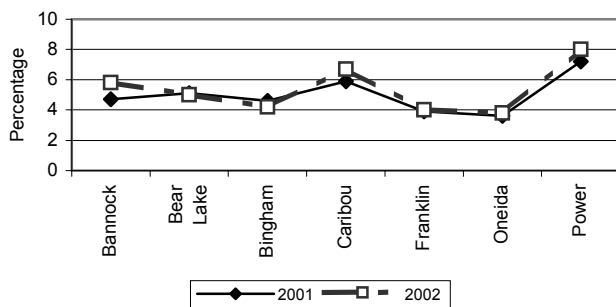
	Projected 2002	2001	% Change From Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>			
Civilian Labor Force	40,770	39,810	2.5
Unemployment	2,350	1,860	24.3
Percent Unemployed	5.8	4.7	
Total Employment	38,420	37,950	1.4
<b>JOBS BY PLACE OF WORK</b>			
<b>TOTAL Nonfarm Payroll Jobs</b>	32,640	33,180	-1.6
<b>Goods Producing Industries</b>	4,180	4,520	-7.5
Construction	1,580	1,750	-9.7
Manufacturing	2,600	2,770	-6.1
<b>Service Producing Industries</b>	28,460	28,660	-0.7
Trans./Comm./Util	1,870	1,810	3.3
Wholesale Trade	1,370	1,420	-3.5
Retail Trade	6,560	6,850	-4.2
Fin./Ins./Real Estate	1,720	1,740	-1.1
Services	8,220	8,220	0.0
Government Admin.	3,550	3,450	2.9
Government Educ.	5,170	5,170	0.0

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month.

tions, the area's *Civilian Labor Force* grew by 960 individuals, from 39,810 in 2001 to 40,770 in 2002. Employment grew at a much slower pace, just 1.4 percent, from 37,950 in 2001 to 38,420 in 2002. Unemployment jumped 24.3 percent in 2002 as the sluggish economy left an additional 470 individuals unemployed. Most Southeast Idaho counties experienced unemployment rates in 2002 that were at or slightly above the 2001 level (see *Southeast Idaho Chart 1: County Unemployment Rates* on page 28). Three notable exceptions were: Bingham County, down four-tenths of a percentage point; Bannock County, up 1.1 percentage points; and Power County, up nine-tenths of a percentage point. Job losses in one county affect the labor market of several counties as workers commute across county lines to work. Because of business closures and job losses in Southeast Idaho, particularly Bannock and Power Counties, unemployment rates in other counties also increased because unemployment is counted by place of residence and workers who live in those other counties worked in Bannock or Power County. A comparison of labor force data from 2001 and 2002 for the Southeast Idaho counties is shown in *Southeast Table 2: Annual Labor Force Data* on page 28.

*Nonfarm Payroll Jobs* decreased 1.6 percent to 32,640 in 2002 from 33,180 in 2001. The loss of 540 jobs resulted from job reductions in nearly every industry. The *Goods-Producing Industries* suffered the most job losses, 340, over the year. The job loss was evenly split between *Construction* and *Manufacturing*. The closure of Astaris, near Pocatello, in December 2001 had a major impact on the area because of the loss of nearly 400 good-paying *Manufacturing* jobs

Southeast Idaho Chart 1: County Unemployment Rates



and cessation of a major construction project at the facility, which eliminated 400 *Construction* jobs. The loss of Astaris also affected jobs in Caribou County because Agrium's Dry Valley Mine supplied ore to the facility. In December 2002, Agrium announced the reduction of 25 jobs at that facility because of an oversupply of ore. The multiplier effect of those job losses affected jobs in almost every other industry. In addition to the Astaris closure, several small businesses closed over the year and other businesses reduced staff or adjusted hours. *Construction*, *Manufacturing*, and *Retail Trade* suffered the most significant losses.

The job losses at Astaris are not reflected in this *Nonfarm Payroll Jobs* comparison because Astaris jobs were in Power County, which is not included in the Pocatello MSA, but provided jobs for many workers throughout Southeast Idaho. *Construction* decreased by 170 jobs over the year as commercial and residential construction fell more than 25 percent below the 2001 level. *Manufacturing* lost 170 jobs mostly because of reductions at American Microsystems, Inc. in Pocatello resulting from national and global economic conditions.

The *Service-Producing Industries* also experienced reductions in 2002. The loss of 200 jobs was mostly in *Retail Trade*, but also occurred in *Wholesale Trade* and *Finance, Insurance & Real Estate*. *Retail Trade* decreased by 290 jobs because of the loss of disposable income in the area and closure of some retail businesses. Increases in *Communications*, and *Air and Passenger Transportation* outpaced losses in *Motor Freight Transportation* and *Utilities* to add 60 jobs in *Transportation, Communications & Utilities*.

Jobs in *Government Administration* increased more than any other industry at 100 jobs. The increase occurred exclusively in *Local Government Administration* and was caused by the merger of Pocatello's two hospitals, not an actual increase in *Local Government* jobs, and also lowered the count of jobs in *Services*. Pocatello Regional Medical Center employed between 350 and 400 individuals, was privately owned, and was counted under *Services, Health Care*. Bannock Regional Medical Center employed approximately 800 individuals, was county owned, and was counted under *Local Government Administration, Hospitals*. The privately owned Pocatello Regional Medical Center was purchased and merged with the county-owned Bannock Regional Medical Center; the combined facilities were renamed Portneuf Medical Center. The combined hospitals are now a county-owned entity, and nearly 400 jobs were transferred

Southeast Idaho Table 2: Annual Labor Force Data  
December 2001 to December 2002 12-month rolling average

County	Year	Civilian Labor Force	Number Unemployed	% Unemployed	Number Employed
Bear Lake	2001	2,760	139	5.0	2,621
	2002	2,840	145	5.1	2,695
Bingham	2001	21,847	1015	4.6	20832
	2002	22,447	938	4.2	21,509
Caribou	2001	3,314	194	5.8	3,120
	2002	3,370	233	6.9	3,137
Franklin	2001	4,839	193	4.0	4,646
	2002	5,176	205	4.0	4,971
Oneida	2001	1,716	62	3.6	1,654
	2002	1,764	70	4.0	1,694
Power	2001	3,362	241	7.2	3,121
	2002	3,389	276	8.1	3,113

from *Services* to *Government Administration*. Since *Services* showed no decrease after the transfer of nearly 400 jobs, the industry actually gained jobs during 2002. Most job gains occurred in *Agricultural Services*, *Business Services*, and *Amusement and Recreation Services*.

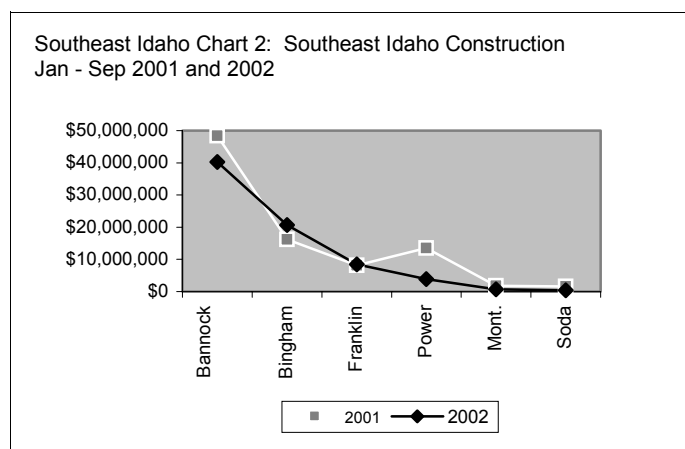
The opposite occurred in *Government Administration*. What appeared to be an increase in jobs in *Government Administration* was an actual decline. Nearly 400 jobs were transferred into the industry by the merger of the hospitals but the industry increased by just 100 jobs. The number of jobs in *State Administration* and *Local Administration* actually declined in 2002.

One bright spot in the area's economy was agriculture. Employment in agriculture is projected to increase more than five percentage points, adding more than 200 jobs. Agriculture is one of Southeast Idaho's largest industries. Primary crops grown in Southeast Idaho are potatoes, grain, hay, and sugar beets. Southeast Idaho also has a large dairy industry. Area farmers and ranchers spark local economies by adding jobs, using the services of agriculture-related businesses, and purchasing equipment and supplies from area businesses. The number of agriculture jobs in 2002 exceeded 2001 in every county during the first nine months of the year. In 2002, several area farmers endured crop damage because of frost, wind, and drought. Most of the area's sugar beets and some of the area's wheat had to be replanted. After three years of drought, high winds further depleted soil moisture creating a greater need of an already short water supply. Area crop growers were more challenged by weather and water conditions than any other time since the early 1970's drought. Despite these challenges, other factors that affect agriculture were more positive than in previous years. Commodity prices for most agricultural products improved, fuel costs and fertilizer prices were lower, and interest rates were very favorable. Agriculture, overall, had a positive effect on the Southeast Idaho economy.

## AREA ECONOMIC DEVELOPMENTS

### Construction

Residential construction helped ebb the tide of the economic slowdown throughout Southeast Idaho. Wells Fargo's *Idaho Construction Report, September 2002* showed that from January through September 2002, Southeast Idaho's residential construction surpassed January through September 2001 by 8.4 percent. Unfortunately, commercial construction fell more than 50 percent driving the area's total construction down nearly 26 percent. While Southeast Idaho construction fell 25.5 percent below the 2001 total, Idaho fell at a much lower rate ending just 8.0 percent below 2001. Bingham County experienced a 27.6 percent increase in construction activity from January to September 2002 compared to the same time period in 2001. Franklin County also showed an increase of 4.4 percent from 2001 to 2002 for that time period, while the other Southeast Idaho counties experienced declines. See *Southeast Idaho Chart 2: Southeast Idaho Total Construction Jan-Sept 2001 and 2002*. While several new commercial construction projects were started in the Pocatello area during the last quarter, it is doubtful the projects will make up the difference and net an overall increase for the year.



### Bannock County

- Southeast Idaho's largest county, Bannock (population 75,323), suffered significant economic fluctuations during 2002. Through September 2002, construction declined 16.7 percent over the first nine months of 2001. Residential construction increased 2.4 percent, commercial construction decreased 43.2 percent, and additions, alterations, and repairs decreased 1.6 percent.
- An \$8 million dollar redevelopment project, which began in December 2001, turned the old Simplot building at 4122 Yellowstone Avenue in Pocatello into a regional shopping center. The center, Cobblestone Creek, houses three new businesses: T.J. Maxx, Pier 1 Imports, and Only \$1 Superstore. The three new employers added approximately 125 new jobs in the area. Two new businesses are under construction and will open at the center this spring; Village Crafts by Michaels and International House of Pancakes.
- Three new businesses built stores and opened in the Fred Meyer complex at 700 Yellowstone in Pocatello:

AutoZone Car Parts Store, Sonic Drive-In, and Honks Dollar Store. The new businesses employ approximately 100 individuals.

- Farm Bureau moved into its new 93,600-square-foot facility in Pocatello. The \$13 million headquarters houses 174 employees. Construction began in 2000.
- Construction began on the L.E. and Thelma E. Stevens Performing Arts Center at Idaho State University. The 110,000-square-foot facility should be completed by spring 2004.
- American MicroSystems, Inc. began construction of a new 30,800-square-foot engineering and research center on Alvin Ricken Drive in Pocatello.
- TetraDyne Solutions, Inc. started a business at Idaho State University's Business and Research Park. The new company employs five people and expects to expand to 60 employees within two years.
- The Union Pacific Railroad closed the Pocatello hump yard and eliminated 30 jobs in 2002. The company recently announced it would close its refrigeration shop in Pocatello by March 2003, eliminating another 65 jobs.
- American MicroSystems, Inc. eliminated more than 200 jobs in the Pocatello area in 2002. The company purchased a semiconductor business in Belgium and attributed the layoffs to redundancy and also to the slow economic recovery.
- BMC West closed its building supply store in Pocatello after nearly 30 years in business. The closure eliminated 25 jobs.

### Bear Lake County

- Bear Lake County, with a population of 6,345, suffered from job losses throughout the area. Construction in Montpelier, Bear Lake County's largest city, during the first three quarters of 2002 dropped by over \$1.1 million from the first three quarters of 2001. The decline occurred in commercial construction, down \$1.7 million, and in additions, alterations, and repairs, down \$163,000. Residential construction increased by \$90,000 in 2002 over 2001.

### Bingham County

- Bingham County, the area's second-largest county with a population of 42,335, outperformed every other county in Southeast Idaho in 2002. The county had the lowest unemployment rate at 4.2 percent over the year and enjoyed the highest increase in construction activity. Through September 2002, construction activity increased 27.6 percent. Residential construction increased 11.8 percent, commercial construction increased 84 percent, and additions, alterations, and repairs increased 58.4 percent.
- First American Title Company of East Idaho broke ground on a second new office building in Blackfoot. The new 3,600-square-foot building will be located on West Pacific Street.



- The Blackfoot Medical Clinic purchased and renovated the old Rite Aide store on Parkway Drive to house the clinic. The renovated building allowed full integration of the clinic's services and 100 employees in one location.
- The Blackfoot Urban Renewal Agency completed its \$1.2 million downtown revitalization project. The project included replacement of water, sewer, and storm sewer lines; curbs, gutters, and sidewalks; installation of decorative lighting; and repaving.
- C-A-L Ranch built and moved into its new store on Meridian in Blackfoot. The new store provides more space for an expanded inventory and will add approximately ten more employees.
- Antigo Cheese Company purchased Suprema Cheese of Blackfoot, which closed in March 2002. The new company began limited production at the end of August with approximately 25 employees and hopes to increase to full production with up to 50 employees.
- Shelley Cabinet Company, which had been in business in Shelley for nearly 50 years and had undergone an expansion, closed suddenly. The closure eliminated approximately 30 jobs.

#### **Caribou County**

- Caribou County, with a population of 7,397, saw construction activity in its largest city, Soda Springs, decline over \$1.2 million during the first three quarters of 2002 from the first three quarters of 2001. Commercial construction accounted for the decline after completion of a large construction project at Agrium. Residential construction increased over the year but commercial construction and additions, alterations, and repairs dropped by \$1.4 million over the year.
- Agrium-Conda of Soda Spring reduced its workforce by 40 people in 2002 and announced the reduction of another 23 workers at its Dry Valley mine in January 2003. The Dry Valley mine supplied ore to the Astaris manufacturing facility, which closed the end of 2001, and caused an oversupply of ore.

#### **Franklin County**

- Construction activity during the first nine months of 2002 increased 4.4 percent in Franklin County (population 11,590). The increase occurred in residential construction, up 16.5 percent, and in additions, alterations, and repairs, up 6.1 percent. Commercial construction declined 36.9 percent.
- The new Larsen-Sant Library opened in Preston in February.
- Franklin County Fire District's new fire and ambulance station was built in Preston. The facility houses the county's fire trucks, ambulances, and emergency equipment and supplies. The station provides a training facility and housing for emergency personnel. The station is located at 43 West, 100 South.

#### **Oneida County**

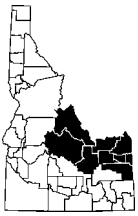
- Oneida County is Southeast Idaho's smallest county with a population of 4,210. The county also boasts one of the smallest unemployment rates in the area at 3.8 percent. Oneida County residents have employment opportunities in nearby Franklin County and Utah. The county enjoys economic activity as a border town where Utah residents jump the border to take advantage of Idaho's lottery.
- Oneida County built a new \$390,000 county shop. The 9,600-square-foot building has four separate working bays.
- The Oneida County Library added 1,200-square feet to their existing facility.

#### **Power County**

- Power County, with a population of 7,468, endured significant hardships in 2002 with the closure of Astaris, LLC and reductions at J.R. Simplot Company. Construction for the first nine months of 2002 dropped 71.5 percent below the first nine months of 2001. An increase in residential construction of 40.4 percent was outpaced by decreases in commercial construction (-81.7 percent) and in additions, alterations, and repairs (-17.5 percent).
- Direct Communications opened an office in American Falls at 2842 Pocatello Avenue. The company's main business is in Rockland but the store in American Falls will offer computer sales and service, telephones and accessories, and better service to telephone and Internet customers.
- Construction of the \$14 million American Falls High School was completed for the beginning of the school year in 2002. The 142,000-square-foot facility can accommodate up to 650 students and includes an auditorium and gymnasium.
- Spring Creek Manor expanded its facility and added 4,100-square feet of space. The expansion added six rooms to the facility to accommodate increased use.
- Closure of Astaris, LLC eliminated approximately 350 jobs in Power County. The phosphate manufacturing facility was located between American Falls and Pocatello, and provided employment for both cities. The closure also eliminated approximately 400 construction jobs at the facility. Power County lost about \$1 million in tax revenue per year from the closure.
- J.R. Simplot Company discontinued ammonia production at its Don Plant located between American Falls and Pocatello. The closure eliminated approximately 85 jobs in 2002.

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# NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

## LABOR FORCE AND EMPLOYMENT

Despite a slowing economy still struggling from the effects of the September 11 terrorist attacks and the national recession, the Bonneville Labor Market Area (LMA) still experienced growth during 2002. As seen in Northeast Table 1, the projected annual average unemployment rate in 2002 was down one-tenth of a percentage point from 2001 to 3.7 percent, but the *Civilian Labor Force* grew by 3.2 percent, an increase of 2,520 people. The number of unemployed increased by 20 people while *Total Employment* increased by 2,590.

It is encouraging to note that growth continues to take place in the area. The unemployment rate in Bonneville and Jefferson Counties also remained unchanged from 2001 to 2002, while Bingham County decreased four-tenths of a percentage point and Butte County decreased one-tenth of a percentage point. Idaho Falls, the largest city in the LMA and in Northeast Idaho, experienced an increase of one-tenth of a percentage point in the unemployment rate in 2002 compared to 2001. This was not surprising as many professionals previously laid off from the Idaho National Engineering and Environmental Laboratory's (INEEL's) main contractor, Bechtel BWXT Idaho, were without suitable employment in 2002. Other large businesses in the county also laid off employees citing reasons tied to the sluggish national economy. The increase in the rate could have been much larger had the economy not been able to absorb much of this activity.

Northeast Idaho Table 1: Labor Force & Employment  
Bonneville, Bingham, Butte, & Jefferson Counties

	Projected 2002	2001	% Change From Last Year
INDIVIDUALS BY PLACE OF RESIDENCE			
Civilian Labor Force	82,520	80,000	3.2
Unemployed	3,030	3,010	0.7
% of Labor Force Unemployed	3.7	3.8	
Total Employment	79,490	76,900	3.2
JOBS BY PLACE OF WORK			
<b>Nonfarm Payroll Jobs**</b>	62,350	62,290	0.1
<b>Goods-Producing Industries</b>	9,630	9,550	0.8
Mining & Construction	4,350	4,230	2.8
Manufacturing	5,280	5,320	-0.8
Food Processing	2,850	2,910	-2.1
Industrial & Commercial Mach. & Comp. Equip.	460	440	4.5
All Other Manufacturing	1,970	1,970	0.0
<b>Service-Producing Industries</b>	52,720	52,740	0.0
Transportation & Comm., & Utilities	2,340	2,380	-1.7
Wholesale Trade	5,680	5,640	0.7
Retail Trade	11,040	11,150	-1.0
Finance, Insurance & Real Estate	1,930	1,890	2.1
Services	21,120	20,940	0.9
Government Administration	5,450	5,510	-1.1
Government Education	5,160	5,230	-1.3

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month.

The other six counties in Northeast Idaho generally experienced decreases in the unemployment rate in 2002 compared to 2001. However, one county did show an increase; Teton County's unemployment rate increased 1.1 percentage points in 2002. Teton County was affected by the national economy due to its high volume of tourists, but sales tax receipts show that sales had begun to increase starting in the fall of 2002.

## EMPLOYMENT TRENDS

*Nonfarm Payroll Jobs* increased slightly in 2002 with the addition of 60 jobs. The small growth in the number of jobs in the labor market area is indicative of the sluggish economy. Only two industries are forecast to have job growth in excess of 100—*Construction* and *Services*. The addition of more than 300 jobs in the *Business Services* and 200 jobs in *Hospitals* were offset by the loss of nearly 400 jobs in *Engineering, Accounting, Research, Management, & Related Services*. The decrease in the number of jobs was the result of the layoffs at the Idaho National Engineering and Environmental Laboratory. The

changes in these industries resulted in an increase of 180 jobs in *Services*. The number of jobs in *Construction* grew by 120. The majority of those were in *Heavy Construction* where projects such as the Snake River bridge north of Blackfoot and a contract for road work with Yellowstone Park have kept many employed. Year-over-year decreases in *Nonfarm Payroll Jobs* consisted of the following:

- *Retail Trade* showed a net loss of 110 as both the *Food Stores* and *Eating & Drinking Places* industrial sectors lost nearly 80 jobs each. The loss could not be offset by job gains in the *Building Materials, Hardware, and the Garden Supply & Manufactured Home Dealers* sector.
- *Government* lost 130 jobs which were almost evenly split between the *Education* and *Administration* sectors.
- *Food Processing* showed a loss of 60 jobs with 30 jobs lost in *Canned, Frozen, Preserved Fruits, Vegetables & Food Specialties* and the other 30 jobs in meat, dairy, and beverage processing.

Northeast Table 2 shows changes in other economic indicators throughout the LMA and Northeast Idaho. Data for the Bonneville LMA showed a 1.1 percent increase in population from the 2000 Census to July 1, 2001; Bonneville County accounted for almost 1,300 of the 1,791-person increase. Butte County experienced a population decrease of 43 persons. Total sales in the LMA (as collected by the Idaho State Tax Commission) totaled over \$2.5 billion in 2002, an increase of \$377 million from 2001. The total number of employers covered by Idaho's Unemployment Insurance law decreased by ten when the second quarters of 2002 and 2001 were compared. However, the total num-

ber of employees increased by 608 in the same time period. This indicates that existing companies most likely absorbed employees affected by closing businesses and mergers.

Economic indicators for Northeast Idaho (which does not include Bingham County) are generally positive. Population increased by 1,647 from April 2000 to July 2001. This change was 144 less than the population growth in the LMA since five of the nine counties showed decreases over the time period. Total sales increased by almost \$15 million from 2001 to 2002, which was a smaller increase than the LMA experienced. While the number of employers covered by Idaho's Unemployment Insurance law increased by seven, the total number of employees decreased by 72 when the second quarters of 2001 and 2002 were compared.

Northeast Table 3 on page 33 indicates that between 2000 and 2001 the annual average wages increased in all counties with the exception of Lemhi County, which showed a decrease of 3.3 percent after losing many well-paying mining jobs. Butte County showed a 12.7 percent increase (\$6,501) over the year, because employment and wages are counted where the job is located rather than where the worker lives. While INEEL is the largest, well-paying employer in the county, the largest percentage of INEEL employees commute from bordering counties, mostly Bonneville County, so their wages are not accounted for in Butte County. Since both Butte and Teton Counties have commuting patterns out of the norm for most counties, their annual average wages are difficult to determine. All counties, with the exception of Lemhi County, showed increases larger than the state for the same time period.

Northeast Table 2: Economic Indicator Changes 2001-2002							
County/LMA	April	7/1/2001 Population	Numeric Change	Percent Change	2002 Total Sales	2nd Qtr 2002	2nd Qtr 2002
	Census Population					Covered Employers	Number Employed
Bingham	41,735	42,335	600	1.4	\$ 602,749,059	973	13,926
Bonneville	82,522	83,807	1,285	1.6	\$ 1,682,667,383	2,945	41,235
Butte	2,899	2,856	-43	-1.5	\$ 18,188,461	124	4,959
Jefferson	19,155	19,578	-51	-5.0	\$ 291,820,004	495	5,098
<b>Bonneville LMA</b>	146,311	148,576	1,791	1.4	\$ 2,595,424,907	4,537	65,218
Clark	1,022	971	-50	-1.2	\$ 30,987,368	42	478
Custer	4,342	4,292	3	0.0	\$ 73,164,982	217	1,562
Fremont	11,819	11,822	423	2.2	\$ 109,429,580	355	3,039
Lemhi	7,806	7,606	-200	-2.6	\$ 126,650,996	373	2,421
Madison	27,467	27,327	-140	-0.5	\$ 431,817,265	624	11,576
Teton	5,999	6,419	420	7.0	\$ 484,781,501	323	1,892
<b>Northeast Idaho</b>	163,031	164,678	1,647	1.0	\$ 3,249,507,540	5,498	72,260

Northeast Table 3: Annual Average Wages

County/LMA	2001	2000	Numeric Change
	Annual Avg Wages	Annual Avg Wages	
Bingham	\$ 23,419	\$ 22,554	\$ 866
Bonneville	\$ 27,096	\$ 26,652	\$ 444
Butte	\$ 57,510	\$ 51,009	\$ 6,501
Clark	\$ 20,811	\$ 20,428	\$ 384
Custer	\$ 24,060	\$ 23,653	\$ 408
Fremont	\$ 22,301	\$ 21,517	\$ 784
Jefferson	\$ 19,689	\$ 19,550	\$ 139
Lemhi	\$ 21,048	\$ 21,763	\$ (715)
Madison	\$ 19,368	\$ 19,067	\$ 301
Teton	\$ 20,296	\$ 19,087	\$ 1,209
<b>State</b>	<b>\$ 27,766</b>	<b>\$ 27,712</b>	<b>\$ 54</b>

While most economic indicators show positive growth, there are still concerns for many rural areas. Decreases in sales, population, and employment weigh heavily on most of the rural counties. Though 2002 was somewhat of an anomaly in this area, with the struggling national economy causing some of the changes, progress still is being made. Unemployment rates in seven of the nine counties decreased over the year. Much of this can be attributed to dedicated economic development specialists who have become aware of grants and other funding sources that have helped with development opportunities. There have also been sizeable investments in business parks, and a few companies in the area have found a valuable workforce in rural counties.

## 2002 YEAR-IN-REVIEW

Some highlights in Northeast Idaho include the following:

- Health care experienced an increase in the number of workers as Eastern Idaho Regional Medical Center and Madison Memorial Hospital finished their expansions and increased services. In addition, the smaller Mountain View Hospital opened in Idaho Falls. Health services continue to be a priority in counties such as Lemhi and Teton.
- Call centers continued to be a strong economic force in Northeast Idaho, but have had layoffs and limited hiring during 2002. A new call center, Midwest Marketing International, opened in Rexburg in 2002. The company places customer service calls to clients who already use products to treat depression and anxiety, and promotes stress management courses. The center currently has 12 to 14 employees, but is ex-

pected to eventually employ up to 200 workers.

- The Sacajawea Interpretive, Cultural, and Education Center in Salmon is expected to be completed in the first half of 2003 to coincide with the national celebration of Lewis and Clark's expedition. A \$2.2 million business park / incubation center in Salmon should also be finished and ready for tenants in 2003.
- Collaborative Genetics, Inc. opened in Rexburg and has set up an intern program with Brigham Young University – Idaho. Although still small, the biotechnical company expects to add employees over time. The company has started with a 5,600-square-foot building in the Rexburg Business Park. Collaborative Genetics, Inc. develops diagnostic test strips to determine anthrax and botulinum toxins from bodily fluids.
- Two of the eventual twenty-plus buildings were completed in the 45-acre professional business park, Taylor Crossing on the River, in Idaho Falls. Construction of a third building is underway, and a road and roundabout are in operation in this multi-million dollar development that is expected to continue growing over the next eight years. It is a uniquely themed development that adds new life to the city.
- Many construction projects have been announced and/or are underway in Bonneville County. Corporate Express has expanded their four-state distribution center and retail store, Melaleuca's built a new warehouse and shipping building, Anheuser Busch expanded, and Grupo Modelo, Mexico's top brewer, began construction of a malt plant. This is the Grupo Modelo's first operation within the United States. A Super Wal-Mart and an Albertsons Supercenter were also built.
- The INEEL experienced some activities of note in 2002. After completing the last of 24 involuntary layoffs earlier in 2002, Bechtel BWXT Idaho continues to hire employees to ensure the operation of all units. BNFL, the advanced mixed waste treatment facility, is just starting operation after hiring and training workers in 2002. Argonne and Bechtel BWXT are expecting changes in their missions soon, which should add to stability for the future. They are both awaiting federal approval and finalization of contracts before determining their next steps.

- The Rexburg Chamber of Commerce took over the grant administration and information distribution for Region VI of the Idaho Department of Commerce, and became the hub for tourism information. The Chamber handles information requests for the same nine counties that comprise the Northeast Idaho area. The office is located at 420 West Fourth South in Rexburg.
- With the help of grants from the Economic Development Agency and the East Central Idaho Planning and Development Association (ECIPDA), St. Anthony is working on razing six buildings in a downtown revitalization effort. Soon ECIPDA and the city will build two new buildings. One will house a distance-learning center for Eastern Idaho Technical College, along with a 25-student classroom to be shared with ML Technologies. The other building will be used for start-up businesses and will house six to eight offices. The additional space will become a parking lot for ML Technologies.
- Brigham Young University-Idaho has seen nothing but growth. The university again enjoyed a record-breaking number of registrations for its fall semester at over 10,700 students. New fields of study are continually being added as classroom space and instructors become available. The university is keeping pace with the growth by handling a plethora of

construction projects. Included in these are married student housing, remodeling of several buildings, and the addition of a new Student Health and Counseling Center. The Gordon B. Hinckley Building was recently finished and includes a chapel, gymnasium, multipurpose area, two full kitchens, and numerous classrooms.

- Sabia, Inc., a company that manufactures and services mineral material analyzers, opened in 2002 in the Innovation Center on Yellowstone in Idaho Falls. The company manufactures machines that analyze non-homogeneous materials on-site at a fraction of the cost that most companies have traditionally paid. Sabia expects to produce 100 units and expand its number of employees from three to ten in 2003. The company expanded to Idaho Falls from California.
- The Idaho Falls Regional Airport finished the middle section of the airport, the second of three phases of construction. It now has new jet bridges that will allow the airport to accommodate smaller commuter planes and jets along with 737s.

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## State Overview—(Continued from page 5)

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Most analysts agree that this is a result of the September 11 terrorist attacks, which is substantiated by the non-employment data that is collected by other agencies.

*Government* at all levels provided about one in every five *Nonfarm Payroll Jobs* in 2002 and 1,900 such jobs were added for the year. *Government Education* comprises 46.7 percent of *Government* employment, including federal civilian jobs. *Education* employment typically conforms to population growth/decline although there can be long lag times in the reaction times. *Local Government Administration* counts tribal employment, including casinos.

Though 2002 was not a disaster for the economy in terms of employment, some industries had to confront rather sudden downturns while other declines were a result of long-term trends. Some industries kept pace with the general employment trends and several had

growth rates significantly above the average for the state. The overall picture for the state's economy is one of a slow, but eventual, recovery and growth in those industries that experienced sudden downturns, while the natural resource industries of *Mining* and *Lumber & Wood Products* will continue to stagnate. As Idaho's economy slowly becomes more like the national economy, national economic conditions will continue to have strong influences within the state.

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## Labor Force Tables

FYI Table 1: Labor Force Data by County, Labor Market Area, & Selected Cities, Annual Averages: 2001 & 2002			
	Projected 2002	2001	Percent Change From 2001
<b>ADA COUNTY</b>			
Civilian Labor Force	181,570	187,485	-3.2
Unemployment	8,002	6,256	27.9
% of Labor Force Unemployed	4.4	3.3	
Employment	173,567	181,229	-4.2
<b>ADAMS COUNTY</b>			
Civilian Labor Force	1,641	1,609	2.0
Unemployment	212	222	-4.3
% of Labor Force Unemployed	12.9	13.8	
Employment	1,428	1,387	3.0
<b>POCATELLO MSA (BANNOCK COUNTY)</b>			
Civilian Labor Force	40,767	39,780	2.5
Unemployment	2,349	1,894	24.1
% of Labor Force Unemployed	5.8	4.8	
Employment	38,417	37,886	1.4
<b>BEAR LAKE COUNTY</b>			
Civilian Labor Force	2,840	2,761	2.9
Unemployment	145	139	4.2
% of Labor Force Unemployed	5.1	5.0	
Employment	2,695	2,621	2.8
<b>BENEWAH COUNTY</b>			
Civilian Labor Force	4,536	4,320	5.0
Unemployment	471	456	3.2
% of Labor Force Unemployed	10.4	10.6	
Employment	4,066	3,864	5.2
<b>BINGHAM COUNTY</b>			
Civilian Labor Force	22,447	21,846	2.7
Unemployment	938	1,015	-7.6
% of Labor Force Unemployed	4.2	4.6	
Employment	21,509	20,832	3.3
<b>BLAINE COUNTY</b>			
Civilian Labor Force	12,392	11,855	4.5
Unemployment	462	347	33.4
% of Labor Force Unemployed	3.7	2.9	
Employment	11,929	11,508	3.7
<b>BOISE COUNTY</b>			
Civilian Labor Force	2,681	2,475	8.3
Unemployment	146	124	17.6
% of Labor Force Unemployed	5.5	5.0	
Employment	2,535	2,350	7.9

FYI Table 1: Labor Force Data by County, Labor Market Area, & Selected Cities, Annual Averages: 2001 & 2002 (cont.)			
	Projected 2002	2001	Percent Change From 2001
<b>BONNER COUNTY</b>			
Civilian Labor Force	18,020	17,172	4.9
Unemployment	1,471	1,447	1.6
% of Labor Force Unemployed	8.2	8.4	
Employment	16,549	15,725	5.2
<b>BONNEVILLE COUNTY</b>			
Civilian Labor Force	47,875	46,335	3.3
Unemployment	1,637	1,553	5.4
% of Labor Force Unemployed	3.4	3.4	
Employment	46,238	44,782	3.3
<b>BOUNDARY COUNTY</b>			
Civilian Labor Force	4,620	4,455	3.7
Unemployment	357	404	-11.7
% of Labor Force Unemployed	7.7	9.1	
Employment	4,264	4,051	5.2
<b>BUTTE COUNTY</b>			
Civilian Labor Force	1,645	1,595	3.1
Unemployment	63	63	-0.3
% of Labor Force Unemployed	3.8	3.9	
Employment	1,582	1,532	3.3
<b>CAMAS COUNTY</b>			
Civilian Labor Force	425	388	9.4
Unemployment	16	19	-16.1
% of Labor Force Unemployed	3.8	4.9	
Employment	409	369	10.7
<b>CANYON COUNTY</b>			
Civilian Labor Force	69,774	71,824	-2.9
Unemployment	4,447	3,613	23.1
% of Labor Force Unemployed	6.4	5.0	
Employment	65,327	68,211	-4.2
<b>CARIBOU COUNTY</b>			
Civilian Labor Force	3,371	3,314	1.7
Unemployment	233	194	20.6
% of Labor Force Unemployed	6.9	5.8	
Employment	3,137	3,120	0.6
<b>CASSIA COUNTY</b>			
Civilian Labor Force	9,668	9,431	2.5
Unemployment	581	525	10.6
% of Labor Force Unemployed	6.0	5.6	
Employment	9,088	8,906	2.0

FYI Table 1: Labor Force Data by County, Labor Market Area, &amp; Selected Cities, Annual Averages: 2001 &amp; 2002 (cont.)

	Projected 2002	2001	Percent Change from 2001
<b>CLARK COUNTY</b>			
Civilian Labor Force	637	641	-0.5
Unemployment	28	28	1.5
% of Labor Force Unemployed	4.4	4.3	
Employment	609	613	-0.6
<b>CLEARWATER COUNTY</b>			
Civilian Labor Force	3,682	3,692	-0.3
Unemployment	470	559	-16.0
% of Labor Force Unemployed	12.8	15.1	
Employment	3,212	3,133	2.5
<b>CUSTER COUNTY</b>			
Civilian Labor Force	2,090	2,150	-2.8
Unemployment	158	164	-3.9
% of Labor Force Unemployed	7.6	7.6	
Employment	1,932	1,986	-2.7
<b>ELMORE COUNTY</b>			
Civilian Labor Force	9,949	9,379	6.1
Unemployment	713	570	24.9
% of Labor Force Unemployed	7.2	6.1	
Employment	9,236	8,808	4.9
<b>FRANKLIN COUNTY</b>			
Civilian Labor Force	5,176	4,840	6.9
Unemployment	205	193	6.0
% of Labor Force Unemployed	4.0	4.0	
Employment	4,971	4,646	7.0
<b>FREMONT COUNTY</b>			
Civilian Labor Force	4,903	4,639	5.7
Unemployment	276	302	-8.6
% of Labor Force Unemployed	5.6	6.5	
Employment	4,627	4,337	6.7
<b>GEM COUNTY</b>			
Civilian Labor Force	6,326	6,442	-1.8
Unemployment	562	513	9.5
% of Labor Force Unemployed	8.9	8.0	
Employment	5,764	5,929	-2.8
<b>GOODING COUNTY</b>			
Civilian Labor Force	7,007	6,793	3.2
Unemployment	246	238	3.4
% of Labor Force Unemployed	3.5	3.5	
Employment	6,762	6,555	3.2
<b>IDAHO COUNTY</b>			
Civilian Labor Force	6,257	6,118	2.3
Unemployment	575	601	-4.2
% of Labor Force Unemployed	9.2	9.8	
Employment	5,682	5,517	3.0

FYI Table 1: Labor Force Data by County, Labor Market Area, &amp; Selected Cities, Annual Averages: 2001 &amp; 2002 (cont.)

	Projected 2002	2001	Percent Change from 2001
<b>JEFFERSON COUNTY</b>			
Civilian Labor Force	10,552	10,225	3.2
Unemployment	389	382	1.7
% of Labor Force Unemployed	3.7	3.7	
Employment	10,163	9,843	3.2
<b>JEROME COUNTY</b>			
Civilian Labor Force	9,431	9,135	3.2
Unemployment	370	351	5.5
% of Labor Force Unemployed	3.9	3.8	
Employment	9,061	8,784	3.2
<b>KOOTENAI COUNTY</b>			
Civilian Labor Force	58,525	55,791	4.9
Unemployment	4,625	4,575	1.1
% of Labor Force Unemployed	7.9	8.2	
Employment	53,900	51,216	5.2
<b>LATAH COUNTY</b>			
Civilian Labor Force	15,620	14,641	6.7
Unemployment	525	522	0.6
% of Labor Force Unemployed	3.4	3.6	
Employment	15,095	14,119	6.9
<b>LEMHI COUNTY</b>			
Civilian Labor Force	3,721	3,665	1.5
Unemployment	258	277	-6.8
% of Labor Force Unemployed	6.9	7.6	
Employment	3,463	3,387	2.2
<b>LEWIS COUNTY</b>			
Civilian Labor Force	1,553	1,533	1.3
Unemployment	96	119	-18.9
% of Labor Force Unemployed	6.2	7.7	
Employment	1,456	1,414	3.0
<b>LINCOLN COUNTY</b>			
Civilian Labor Force	2,005	1,886	6.3
Unemployment	102	75	35.7
% of Labor Force Unemployed	5.1	4.0	
Employment	1,904	1,811	5.1
<b>MADISON COUNTY</b>			
Civilian Labor Force	12,214	11,268	8.4
Unemployment	217	229	-5.1
% of Labor Force Unemployed	1.8	2.0	
Employment	11,997	11,039	8.7
<b>MINIDOKA COUNTY</b>			
Civilian Labor Force	9,841	9,588	2.6
Unemployment	686	616	11.4
% of Labor Force Unemployed	7.0	6.4	
Employment	9,155	8,972	2.0



FYI Table 1: Labor Force Data by County, Labor Market Area, &amp; Selected Cities, Annual Averages: 2001 &amp; 2002 (cont.)

	Projected 2002	2001	Percent Change from 2001
<b>NEZ PERCE COUNTY</b>			
Civilian Labor Force	22,938	22,637	1.3
Unemployment	876	940	-6.8
% of Labor Force Unemployed	3.8	4.2	
Employment	22,061	21,697	1.7
<b>ONEIDA COUNTY</b>			
Civilian Labor Force	1,763	1,716	2.8
Unemployment	70	62	11.9
% of Labor Force Unemployed	4.0	3.6	
Employment	1,694	1,654	2.4
<b>OWYHEE COUNTY</b>			
Civilian Labor Force	4,407	4,230	4.2
Unemployment	207	192	7.4
% of Labor Force Unemployed	4.7	4.5	
Employment	4,201	4,038	4.0
<b>PAYETTE COUNTY</b>			
Civilian Labor Force	9,965	9,706	2.7
Unemployment	884	813	8.7
% of Labor Force Unemployed	8.9	8.4	
Employment	9,081	8,893	2.1
<b>POWER COUNTY</b>			
Civilian Labor Force	3,390	3,362	0.8
Unemployment	276	241	14.5
% of Labor Force Unemployed	8.1	7.2	
Employment	3,113	3,121	-0.2
<b>SHOSHONE COUNTY</b>			
Civilian Labor Force	6,776	6,603	2.6
Unemployment	690	821	-15.9
% of Labor Force Unemployed	10.2	12.4	
Employment	6,086	5,782	5.2
<b>TETON COUNTY</b>			
Civilian Labor Force	3,819	3,588	6.4
Unemployment	139	91	51.8
% of Labor Force Unemployed	3.6	2.5	
Employment	3,680	3,497	5.2
<b>TWIN FALLS COUNTY</b>			
Civilian Labor Force	33,925	32,925	3.0
Unemployment	1,370	1,365	0.4
% of Labor Force Unemployed	4.0	4.1	
Employment	32,555	31,560	3.2
<b>VALLEY COUNTY</b>			
Civilian Labor Force	4,037	4,000	0.9
Unemployment	348	334	4.2
% of Labor Force Unemployed	8.6	8.3	
Employment	3,689	3,666	0.6

FYI Table 1: Labor Force Data by County, Labor Market Area, &amp; Selected Cities, Annual Averages: 2001 &amp; 2002 (cont.)

	Projected 2002	2001	Percent Change from 2001
<b>WASHINGTON COUNTY</b>			
Civilian Labor Force	4,505	4,394	2.5
Unemployment	419	392	6.9
% of Labor Force Unemployed	9.3	8.9	
Employment	4,086	4,001	2.1
<b>ASOTIN COUNTY, WASHINGTON</b>			
Civilian Labor Force	11,840	11,623	1.9
Unemployment	595	558	6.7
% of Labor Force Unemployed	5.0	4.8	
Employment	11,245	11,065	1.6
<b>PANHANDLE LABOR MARKET AREA</b>			
Civilian Labor Force	92,478	88,341	4.7
Unemployment	7,613	7,703	-1.2
% of Labor Force Unemployed	8.2	8.7	
Employment	84,864	80,638	5.2
<b>SEAPORT LABOR MARKET AREA</b>			
Civilian Labor Force	34,778	34,260	1.5
Unemployment	1,472	1,497	-1.7
% of Labor Force Unemployed	4.2	4.4	
Employment	33,306	32,763	1.7
<b>IDAHO-LEWIS LABOR MARKET AREA</b>			
Civilian Labor Force	7,810	7,651	2.1
Unemployment	672	719	-6.6
% of Labor Force Unemployed	8.6	9.4	
Employment	7,138	6,931	3.0
<b>BOISE MSA</b>			
Civilian Labor Force	251,343	259,308	-3.1
Unemployment	12,449	9,869	26.2
% of Labor Force Unemployed	5.0	3.8	
Employment	238,894	249,440	-4.2
<b>MAGIC VALLEY LABOR MARKET AREA</b>			
Civilian Labor Force	50,364	48,854	3.1
Unemployment	1,986	1,954	1.7
% of Labor Force Unemployed	3.9	4.0	
Employment	48,377	46,900	3.2
<b>CASSIA-MINIDOKA LABOR MARKET AREA</b>			
Civilian Labor Force	19,509	19,018	2.6
Unemployment	1,266	1,141	11.0
% of Labor Force Unemployed	6.5	6.0	
Employment	18,243	17,878	2.0
<b>BINGHAM, BONNEVILLE, BUTTE, &amp; JEFFERSON LABOR MARKET AREA</b>			
Civilian Labor Force	82,519	80,002	3.1
Unemployment	3,027	3,013	0.5
% of Labor Force Unemployed	3.7	3.8	
Employment	79,492	76,989	3.3

FYI Table 1: Labor Force Data by County, Labor Market Area, &amp; Selected Cities, Annual Averages: 2001 &amp; 2002 (cont.)

	Projected 2002	2001	Percent Change from 2001
<b>IDAHO CITIES</b>			
<b>BOISE</b>			
Civilian Labor Force	114,902	118,661	-3.2
Unemployment	5,009	3,916	27.9
% of Labor Force Unemployed	4.4	3.3	
Employment	109,893	114,745	-4.2
<b>COEUR D' ALENE</b>			
Civilian Labor Force	20,635	19,656	5.0
Unemployment	1,252	1,239	1.1
% of Labor Force Unemployed	6.1	6.3	
Employment	19,382	18,417	5.2
<b>IDAHO FALLS</b>			
Civilian Labor Force	29,566	28,613	3.3
Unemployment	1,055	1,001	5.4
% of Labor Force Unemployed	3.6	3.5	
Employment	28,511	27,613	3.3
<b>LEWISTON</b>			
Civilian Labor Force	19,579	19,314	1.4
Unemployment	655	702	-6.7
% of Labor Force Unemployed	3.3	3.6	
Employment	18,924	18,612	1.7
<b>NAMPA</b>			
Civilian Labor Force	21,344	21,948	-2.8
Unemployment	1,462	1,187	23.1
% of Labor Force Unemployed	6.8	5.4	
Employment	19,883	20,760	-4.2
<b>POCATELLO</b>			
Civilian Labor Force	29,185	28,483	2.5
Unemployment	1,657	1,335	24.1
% of Labor Force Unemployed	5.7	4.7	
Employment	27,528	27,148	1.4
<b>TWIN FALLS</b>			
Civilian Labor Force	17,744	17,222	3.0
Unemployment	752	749	0.4
% of Labor Force Unemployed	4.2	4.3	
Employment	16,992	16,473	3.2

FYI Table 2: Nonfarm Wage &amp; Salary Employment - Place of Work - State of Idaho

BY PLACE OF WORK	Nov 2002*	Oct 2002	Nov 2001	% Change From	
				Last Month	Last Year
<b>Nonfarm Payroll Jobs**</b>	569,300	571,500	575,400	-0.4	-1.1
<b>GOODS-PRODUCING INDUSTRIES</b>	106,700	109,700	113,400	-2.7	-5.9
<b>Mining</b>	1,700	1,800	1,800	-5.6	-5.6
Metal Mining	500	500	500	0.0	0.0
<b>Construction</b>	34,000	35,600	38,200	-4.5	-11.0
<b>Manufacturing</b>	71,000	72,300	73,400	-1.8	-3.3
Durable Goods	42,700	43,200	44,800	-1.2	-4.7
Lumber & Wood Products	10,700	10,800	11,600	-0.9	-7.8
Loggng	2,000	2,000	2,500	0.0	-20.0
Sawmills & Planing Mills	4,100	4,000	4,200	2.5	-2.4
Wood Buildings & Mobile Homes	1,100	1,100	1,200	0.0	-8.3
Other Lumber & Wood Products	3,500	3,700	3,700	-5.4	-5.4
Stone, Clay, Glass & Concrete Products	1,600	1,600	1,500	0.0	6.7
Fabricated Metal Products, exc. Machinery & Transportation Equip.	2,700	2,800	3,000	-3.6	-10.0
Industrial & Commercial Machinery & Computer Equipment	8,800	9,100	9,400	-3.3	-6.4
Electronic & Other Electrical Equip. & Components, Exc., Computer	13,200	13,200	13,500	0.0	-2.2
Transportation Equipment	2,200	2,200	2,100	0.0	4.8
Other Durable Goods	3,500	3,500	3,700	0.0	-5.4
Nondurable Goods	28,300	29,100	28,600	-2.7	-1.0
Food Processing	17,400	18,200	17,100	-4.4	1.8
Canned, Frozen, & Preserved Fruits, Vegetables & Food Specialties	9,600	9,900	9,300	-3.0	3.2
Paper Products	2,000	2,000	2,200	0.0	-9.1
Printing, Publishing & Allied Products	5,000	5,000	5,100	0.0	-2.0
Chemicals & Allied Products	2,000	2,000	2,300	0.0	-13.0
Other Nondurable Goods	1,900	1,900	1,900	0.0	0.0
<b>SERVICE-PRODUCING INDUSTRIES</b>	462,600	461,800	462,000	0.2	0.1
<b>Transportation, Communications, &amp; Utilities</b>	27,600	27,600	28,100	0.0	-1.8
Transportation	17,000	17,000	17,800	0.0	-4.5
Railroad	1,200	1,300	1,300	-7.7	-7.7
Motor Freight Transportation & Warehousing	10,000	9,900	10,300	1.0	-2.9
Communications	6,500	6,500	6,300	0.0	3.2
Electric, Gas, & Sanitary Services	4,100	4,100	4,000	0.0	2.5
<b>Trade</b>	141,800	140,700	141,900	0.8	-0.1
Wholesale Trade	31,300	31,300	31,800	0.0	-1.6
Durable Goods	14,600	14,600	14,800	0.0	-1.4
Nondurable Goods	16,700	16,700	17,000	0.0	-1.8
Retail Trade	110,500	109,400	110,100	1.0	0.4
Building Materials, Hardware, Garden Supply & Manuf. Home Dealers	6,800	7,000	6,400	-2.9	6.3
General Merchandise Stores	15,300	14,200	14,600	7.7	4.8
Food Stores	18,400	18,400	18,800	0.0	-2.1
Automotive Dealers & Gasoline Service Stations	12,500	12,400	12,500	0.8	0.0
Eating & Drinking Places	37,900	38,200	37,300	-0.8	1.6
<b>Finance, Insurance &amp; Real Estate</b>	24,800	24,800	24,700	0.0	0.4
Banking	7,400	7,400	7,400	0.0	0.0
<b>Services</b>	153,300	153,500	152,700	-0.1	0.4
Hotels & Other Lodging Places	6,700	7,100	7,500	-5.6	-10.7
Personal Services	4,600	4,600	4,300	0.0	7.0
Business Services	29,600	29,800	31,200	-0.7	-5.1
Amusement and Recreation Services	6,800	6,600	6,500	3.0	4.6
Health Services	40,900	40,700	38,900	0.5	5.1
Hospitals	13,900	14,000	13,400	-0.7	3.7
Engineering, Accounting, Research, Management, & Related Services	19,900	19,800	19,400	0.5	2.6
<b>Government</b>	115,100	115,200	114,600	-0.1	0.4
Federal Government	12,900	13,300	12,900	-3.0	0.0
State & Local Government	102,200	101,900	101,700	0.3	0.5
State Government	29,300	29,500	30,200	-0.7	-3.0
Education	14,900	14,600	15,000	2.1	-0.7
Administration	14,400	14,900	15,200	-3.4	-5.3
Local Government	72,900	72,400	71,500	0.7	2.0
Education	41,300	40,600	41,000	1.7	0.7
Administration	31,600	31,800	30,500	-0.6	3.6

\* Preliminary Estimate

\*\* Estimates include all full or part time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.

DATA PREPARED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS

MATERIAL IN THIS DOCUMENT IS PUBLIC DOMAIN AND MAY BE REPRODUCED WITHOUT PERMISSION OF THE DEPARTMENT OF LABOR. HOWEVER, THE IDAHO DEPARTMENT OF LABOR SHOULD BE CITED AS THE SOURCE.

FYI Table 3: State Economic Indicators

	Nov 2002	Oct 2002	Nov 2001	% Change From	
				Last Month	Last Year
<b>IDAHO LABOR FORCE <sup>(1)</sup></b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	686,200	687,100	691,400	-0.1	-0.8
Unemployment	40,000	37,300	36,700	7.2	9.0
Percent of Labor Force Unemployed	5.8	5.4	5.3		
Total Employment	646,200	649,800	654,700	-0.6	-1.3
<b>Unadjusted</b>					
Civilian Labor Force	686,900	688,100	691,400	-0.2	-0.7
Unemployment	37,900	31,400	34,400	20.7	10.2
Percent of Labor Force Unemployed	5.5	4.6	5.0		
Total Employment	649,000	656,700	657,000	-1.2	-1.2
<b>U. S. UNEMPLOYMENT RATE <sup>(2)</sup></b>					
	6.0	5.7	5.6		
<b>U.S. CONSUMER PRICE INDEX <sup>(2)</sup></b>					
Urban Wage Earners & Clerical Workers (CPI-W)	177.4	177.3	173.7	0.1	2.1
All Urban Consumer (CPI-U)	181.3	181.3	177.4	0.0	2.2
<b>AGRICULTURE</b>					
Agriculture Employment	31,830	42,850	32,150	-25.7	-1.0
Operators	9,000	9,010	9,010	-0.1	-0.1
Unpaid Family	490	740	670	-33.8	-26.9
Hired Workers	22,340	33,100	22,460	-32.5	-0.5
<b>UNEMPLOYMENT INSURANCE</b>					
<b>Claims Activities</b>					
Initial Claims <sup>(3)</sup>	22,227	16,908	18,819	39.2	-9.7
Weeks Claimed <sup>(4)</sup>	125,080	73,562	114,194	-13.6	-2.6
<b>Benefit Payment Activities <sup>(5)</sup></b>					
Weeks Compensated	99,725	58,016	72,978	71.9	36.7
Total Benefit \$ Paid	\$22,067,557	\$12,548,840	\$16,141,326	75.9	36.7
Average Weekly Benefit Amount	\$221.28	\$216.30	\$221.18	2.3	0.0
Covered Employers	40,633	40,596	40,459	0.1	0.4
Total Benefit \$ Paid During Last 12 Months <sup>(4)</sup>	\$217,384,029	\$211,457,798	\$149,629,576	2.8	45.3
(1) Preliminary Estimate					
(2) Source: U.S. Bureau of Labor Statistics					
(3) Includes all entitlements/programs on Intrastate and Interstate Agent, New, and Additional Claims					
(4) Includes all entitlements/programs, Intrastate and Interstate Agent					
(5) Includes all entitlements/programs, Total Liable Activities					

**HOURS AND EARNINGS TRENDS**

	<u>Average Weekly Earnings*</u>			<u>Average Weekly Hours</u>			<u>Average Hourly Earnings</u>		
	Nov 2002	Oct 2002	Nov 2001	Nov 2002	Oct 2002	Nov 2001	Nov 2002	Oct 2002	Nov 2001
Mining	\$671.41	\$706.43	\$691.32	38.9	41.9	43.1	\$17.26	\$16.86	\$16.04
Construction	\$613.70	\$670.25	\$612.88	36.4	38.3	37.6	\$16.86	\$17.50	\$16.30
Total Manufacturing	\$605.51	\$624.67	\$594.29	37.4	38.3	37.4	\$16.19	\$16.31	\$15.89
Lumber & Wood Products	\$618.98	\$623.71	\$563.23	39.3	39.5	37.3	\$15.75	\$15.79	\$15.10
Food & Kindred Products	\$418.04	\$418.95	\$457.80	36.1	35.9	38.6	\$11.58	\$11.67	\$11.86
Communications	\$893.93	\$842.52	\$762.30	41.1	41.3	39.6	\$21.75	\$20.40	\$19.25
Electric, Gas, & Sanitary Services	\$741.38	\$719.94	\$825.98	36.2	35.8	38.4	\$20.48	\$20.11	\$21.51
Trade	\$312.31	\$318.92	\$328.19	28.6	28.5	29.7	\$10.92	\$11.19	\$11.05
Wholesale Trade	\$474.62	\$505.34	\$499.82	32.8	33.6	35.6	\$14.47	\$15.04	\$14.04
Retail Trade	\$271.86	\$270.91	\$282.12	27.6	27.2	28.1	\$9.85	\$9.96	\$10.04

DATA PREPARED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS

\* These average earnings are computed on a gross basis and reflect changes in premium pay for overtime and late shift work as well as changes in basic hourly and incentive wage.

FYI Table 4: LMA Labor Force &amp; Employment — Panhandle

Benewah, Bonner, Boundary, Kootenai, and Shoshone Counties	Nov 2002	Oct 2002	Nov 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	93,400	92,970	87,170	0.5	6.7
Unemployed	8,030	7,150	7,620	12.3	-6.2
% of Labor Force Unemployed	8.6	7.7	8.7		
Total Employment	85,370	85,820	79,550	-0.5	7.9
<i>Unadjusted</i>					
Civilian Labor Force	93,780	92,050	87,330	1.9	5.4
Unemployed	7,540	5,790	7,060	30.2	-18.0
% of Labor Force Unemployed	8.0	6.3	8.1		
Total Employment	86,240	86,260	80,270	0.0	7.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	70,050	70,670	68,340	-0.9	3.4
Goods-Producing Industries	13,760	14,020	13,850	-1.9	1.2
Mining	550	540	570	1.9	-5.3
Construction	4,340	4,710	4,670	-7.9	0.9
Manufacturing	8,870	8,770	8,610	1.1	1.9
Lumber & Wood Products	4,390	4,330	4,140	1.4	4.6
All Other Manufacturing	4,480	4,440	4,470	0.9	-0.7
Service-Producing Industries	56,290	56,650	54,490	-0.6	4.0
Transportation	1,460	1,510	1,470	-3.3	2.7
Communication & Utilities	1,060	1,070	1,050	-0.9	1.9
Wholesale Trade	2,170	2,100	2,150	3.3	-2.3
Retail Trade	15,610	15,460	14,990	1.0	3.1
Finance, Insurance & Real Estate	2,890	2,840	2,700	1.8	5.2
Service & Miscellaneous	18,320	18,880	17,400	-3.0	8.5
Government Administration	9,080	9,040	9,050	0.4	-0.1
Government Education	5,700	5,750	5,680	-0.9	1.2
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

FYI Table 4 (cont.): LMA Labor Force &amp; Employment — Seaport

Nez Perce County, Idaho, and Asotin County, Washington	Nov 2002	Oct 2002	Nov 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	34,760	34,910	33,770	-0.4	2.9
Unemployment	1,380	1,490	1,460	-7.4	-5.5
% of Labor Force Unemployed	4.0	4.3	4.3		
Total Employment	33,380	33,420	32,310	-0.1	3.3
<b>Unadjusted</b>					
Civilian Labor Force	34,640	34,690	33,600	-0.1	3.1
Unemployment	1,320	1,260	1,380	4.8	-4.3
% of Labor Force Unemployed	3.8	3.6	4.1		
Total Employment	33,320	33,430	32,220	-0.3	3.4
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	25,560	25,810	25,600	-1.0	-0.2
<b>Goods-Producing Industries</b>	4,940	4,960	5,110	-0.4	-3.3
Mining & Construction	1,290	1,320	1,320	-2.3	-2.3
Manufacturing	3,650	3,640	3,790	0.3	-3.7
Food Processing	80	80	80	0.0	0.0
Lumber & Wood Products	640	630	710	1.6	-9.9
Paper Products	1,590	1,600	1,700	-0.6	-6.5
All Other Manufacturing	1,340	1,330	1,300	0.8	3.1
<b>Service-Producing Industries</b>	20,620	20,850	20,490	-1.1	0.6
Transportation	1,290	1,300	1,350	-0.8	-4.4
Communications & Utilities	270	270	280	0.0	-3.6
Wholesale Trade	920	910	940	1.1	-2.1
Retail Trade	4,830	4,830	4,890	0.0	-1.2
Finance, Insurance, & Real Estate	1,660	1,690	1,380	-1.8	20.3
Services	6,730	6,850	6,480	-1.8	3.9
Government Administration	2,610	2,700	2,670	-3.3	-2.2
Government Education	2,310	2,300	2,500	0.4	-7.6

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

FYI Table 4 (cont.): LMA Labor Force &amp; Employment — Treasure Valley

Boise MSA (Ada and Canyon Counties)	Nov 2002*	Oct 2002	Nov 2001	% Change	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	247,900	550,000	269,100	-54.9	-7.9
Unemployment	13,500	13,100	11,900	3.1	13.4
% of Labor Force Unemployed	5.4	2.4	4.4		
Total Employment	234,400	536,900	257,200	-56.3	-8.9
<b>Unadjusted</b>					
Civilian Labor Force	250,000	248,200	271,100	0.7	-7.8
Unemployment	13,100	11,900	11,500	10.1	13.9
% of Labor Force Unemployed	5.2	4.6	4.2		
Total Employment	236,900	236,300	259,600	0.3	-8.7
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	229,400	229,600	232,700	-0.1	-1.4
GOODS-PRODUCING INDUSTRIES	49,000	49,600	52,300	-1.2	-6.3
<b>Mining &amp; Construction</b>	15,300	15,500	16,800	-1.3	-8.9
<b>Manufacturing</b>	33,700	34,100	35,500	-1.2	-5.1
Durable Goods	25,300	25,600	27,100	-1.2	-6.6
Lumber & Wood Products	3,000	3,100	3,200	-3.2	-6.3
Wood Buildings & Mobile Homes	800	800	800	0.0	0.0
Other Lumber & Wood Products	2,200	2,300	2,400	-4.3	-8.3
Fabricated Metal Products	1,200	1,200	1,200	0.0	0.0
Ind. & Comm. Mach. & Computer Equip.	6,600	6,800	7,500	-2.9	-12.0
Electronic & Other Elect. Equip. & Comp.	11,200	11,200	11,800	0.0	-5.1
Transportation Equipment	1,700	1,600	1,600	6.3	6.3
Other Durable Goods	1,600	1,700	1,800	-5.9	-11.1
Nondurable Goods	8,400	8,500	8,400	-1.2	0.0
Food Products	5,600	5,700	5,700	-1.8	-1.8
Canned Cured & Frozen Foods	1,600	1,700	1,700	-5.9	-5.9
Printing, Pub & Allied Products	1,900	1,900	1,900	0.0	0.0
Other Nondurable Goods	900	900	800	0.0	12.5
SERVICE-PRODUCING INDUSTRIES	180,400	180,000	180,400	0.2	0.0
<b>Trans, Comm, &amp; Public Util</b>	12,400	12,200	12,100	1.6	2.5
Transportation	6,900	6,800	6,900	1.5	0.0
Comm & Elec, Gas & Sanitary Services	5,500	5,400	5,200	1.9	5.8
<b>Trade</b>	56,300	55,800	57,000	0.9	-1.2
Wholesale Trade	12,300	12,500	12,600	-1.6	-2.4
Durable Goods	7,600	7,700	7,700	-1.3	-1.3
Nondurable Goods	4,700	4,800	4,900	-2.1	-4.1
Retail Trade	44,000	43,300	44,400	1.6	-0.9
General Merchandise Stores	6,300	5,800	6,100	8.6	3.3
Foods Stores	7,300	7,300	7,600	0.0	-3.9
Eating & Drinking Places	15,100	15,300	15,400	-1.3	-1.9
Other Retail Trade	15,300	14,900	15,300	2.7	0.0
<b>Finance, Insurance, &amp; Real Estate</b>	11,600	11,600	11,700	0.0	-0.9
<b>Services</b>	63,200	63,600	62,900	-0.6	0.5
Business Services	13,700	13,800	15,000	-0.7	-8.7
Health Services	19,400	19,300	18,800	0.5	3.2
Hospitals	9,300	9,300	8,800	0.0	5.7
Eng., Acct., Res., Mngmt., & Related	5,600	5,600	5,100	0.0	9.8
Other Services	24,500	24,900	24,000	-1.6	2.1
<b>Government</b>	36,900	36,800	36,700	0.3	0.5
Federal Government	5,400	5,400	5,200	0.0	3.8
State Government	13,400	13,400	13,900	0.0	-3.6
Education	4,800	4,600	4,800	4.3	0.0
Administration	8,600	8,800	9,100	-2.3	-5.5
Local Government	18,100	18,000	17,600	0.6	2.8
Education	12,100	11,900	11,700	1.7	3.4
Administration	6,000	6,100	5,900	-1.6	1.7

FYI Table 4 (cont.): LMA Labor Force &amp; Employment — Magic Valley

Twin Falls, Jerome, and Gooding Counties	Nov 2002	Oct 2002	Nov 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	49,740	49,420	48,880	0.6	1.8
Unemployment	2,010	1,930	2,090	4.1	-3.8
% of Labor Force Unemployed	4.0	3.9	4.3		
Total Employment	47,730	47,490	46,790	0.5	2.0
<b>Unadjusted</b>					
Civilian Labor Force	49,940	50,140	48,990	-0.4	1.9
Unemployment	1,910	1,610	1,960	18.6	-2.6
% of Labor Force Unemployed	3.8	3.2	4.0		
Total Employment	48,030	48,530	47,030	-1.0	2.1
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	38,720	39,060	39,200	-0.9	-1.2
<b>Goods-Producing Industries</b>	6,900	7,150	7,010	-3.5	-1.6
Mining & Construction	1,840	1,890	1,840	-2.6	0.0
Manufacturing	5,060	5,260	5,170	-3.8	-2.1
Durable Goods	860	880	870	-2.3	-1.1
Nondurable Goods	4,200	4,380	4,300	-4.1	-2.3
Food Processing	3,240	3,400	3,320	-4.7	-2.4
All Other Nondurable Goods	960	980	980	-2.0	-2.0
<b>Service-Producing Industries</b>	31,820	31,910	32,190	-0.3	-1.1
Transportation, Comm., & Utilities	2,730	2,720	2,660	0.4	2.6
Wholesale Trade	2,240	2,270	2,270	-1.3	-1.3
Retail Trade	8,190	8,110	8,250	1.0	-0.7
Finance, Insurance, & Real Estate	1,290	1,290	1,290	0.0	0.0
Services	10,040	10,200	10,220	-1.6	-1.8
Government Administration	3,810	3,810	3,720	0.0	2.4
Government Education	3,520	3,510	3,780	0.3	-6.9
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

FYI Table 4 (cont.): LMA Labor Force &amp; Employment — Southeast Idaho

Pocatello City MSA (Bannock County)	Nov 2002	Oct 2002	Nov 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	40,060	40,760	39,060	-1.7	2.6
Unemployment	2,260	2,330	2,250	-3.0	0.4
% of Labor Force Unemployed	5.6	5.7	5.8		
Total Employment	37,800	38,430	36,810	-1.6	2.7
<b>Unadjusted</b>					
Civilian Labor Force	41,100	40,780	40,010	0.8	2.7
Unemployment	2,210	2,100	2,180	5.2	1.4
% of Labor Force Unemployed	5.4	5.1	5.4		
Total Employment	38,890	38,680	37,830	0.5	2.8
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	33,210	33,110	33,310	0.3	-0.3
<b>Goods-Producing Industries</b>	3,990	4,050	4,310	-1.5	-7.4
Mining & Construction	1,400	1,470	1,630	-4.8	-14.1
Manufacturing	2,590	2,580	2,680	0.4	-3.4
<b>Service-Producing Industries</b>	29,220	29,060	29,000	0.6	0.8
Transportation, Comm., & Utilities	1,840	1,850	1,820	-0.5	1.1
Wholesale Trade	1,330	1,340	1,390	-0.7	-4.3
Retail Trade	6,770	6,640	6,810	2.0	-0.6
Finance, Insurance, & Real Estate	1,770	1,770	1,700	0.0	4.1
Services	8,100	8,100	8,260	0.0	-1.9
Government Administration	3,810	3,840	3,400	-0.8	12.1
Government Education	5,600	5,520	5,620	1.4	-0.4
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

FYI Table 4 (cont.): LMA Labor Force &amp; Employment — Northeast Idaho

				<u>% Change From</u>	
Bonneville, Bingham, Butte, & Jefferson Counties	Nov 2002	Oct 2002	Nov 2001	Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	83,210	83,340	80,000	-0.2	4.0
Unemployment	3,120	2,950	3,120	5.8	0.0
% of Labor Force Unemployed	3.7	3.5	3.9		
Total Employment	80,090	80,390	76,880	-0.4	4.2
<b>Unadjusted</b>					
Civilian Labor Force	83,090	84,650	79,760	-1.8	4.2
Unemployment	2,800	2,510	2,780	11.6	0.7
% of Labor Force Unemployed	3.4	3.0	3.5		
Total Employment	80,290	82,140	76,980	-2.3	4.3
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	63,680	63,820	61,880	-0.2	2.9
<b>Goods-Producing Industries</b>	10,510	11,030	9,500	-4.7	10.6
Mining & Construction	4,910	5,410	4,610	-9.2	6.5
Manufacturing	5,600	5,620	4,890	-0.4	14.5
Food Processing	2,810	2,830	2,460	-0.7	14.2
Ind. & Com. Mach. & Computer Equip.	560	580	440	-3.4	27.3
All Other Manufacturing	2,230	2,210	1,990	0.9	12.1
<b>Service-Producing Industries</b>	53,170	52,790	52,380	0.7	1.5
Transportation, Comm., & Utilities	2,360	2,380	2,370	-0.8	-0.4
Wholesale Trade	5,050	4,960	5,220	1.8	-3.3
Retail Trade	11,550	11,300	11,390	2.2	1.4
Finance, Insurance, & Real Estate	1,980	2,000	1,880	-1.0	5.3
Services	21,560	21,590	20,870	-0.1	3.3
Government Administration	5,110	5,250	5,100	-2.7	0.2
Government Education	5,560	5,310	5,550	4.7	0.2
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					



# Glossary of Labor Market Terms

**Agriculture Employment:** Persons on agriculture payrolls who work or receive pay for any period during the survey week. This includes owners, operators, unpaid family members who work at least 15 hours a week, and hired laborers.

**Average Hourly Earnings/Average Weekly Hours:** The average total money earnings earned by production or non-supervisory workers for selected industries. The average number of hours worked by production or non-supervisory workers including overtime, paid vacation, and sick leave. The data is collected for the week including the 12<sup>th</sup> of the month.

**Average Weekly Earnings:** Average Hourly Earnings multiplied by Average Weekly Hours.

**Civilian Labor Force:** A count of non-institutional persons 16 years of age and over residing within a specific geographic area, excluding members of armed forces, who are classified as employed, unemployed and seeking employment, or involved in a labor dispute.

**Consumer Price Index (CPI):** A national index measuring changes over time in the price of a fixed market basket of goods and services. There are two indexes—the All Urban Consumers (CPI-U) represents the buying habits of about 80 percent of the non-institutional population of the United States, and the Urban Wage & Clerical Workers (CPI-W) represents 40 percent of the population.

**Covered Employers:** Employers who are subject to state and federal Unemployment Insurance laws.

**Durable Goods:** Also known as “hard goods” because they include items manufactured or provided by wholesalers with a normal life expectancy of three years or more.

**Employed:** Individuals, 16 years of age or older, who worked at least 1 hour for pay or profit or worked at least 15 unpaid hours in a family business during the week including the 12<sup>th</sup> day of the month. Individuals are also counted as employed if they had a job but did not work because they were: ill, on vacation, in a labor dispute, prevented from working because of bad weather, or temporarily absent for similar reasons.

**Initial Claim:** Any notice of unemployment filed to request (1) a determination of entitlement to and eligibility for compensation or (2) a second or subsequent period of unemployment within a benefit year or period of eligibility.

**Labor Market Area (LMA):** An area that consists of a central city or cities and the surrounding territory within commuting distance. It is an economically integrated geographic area within which individuals can reside and find employment without changing place of residence. Idaho has nine LMAs.

**Metropolitan Statistical Area (MSA):** An area that has either a city with a population of at least 50,000 or a Bureau of Census urbanized area of at least 50,000 and a total metropolitan area of at least 100,000. The Office of Management and Budget designates the MSAs. There are two MSAs in Idaho—Boise City (including Ada and Canyon counties) and Pocatello City (including Bannock County).

**Nonfarm Wage & Salary Employment:** Persons on nonfarm establishment payrolls (including employees on paid sick leave, paid holiday, or paid vacation) who work or receive pay for any part of the week including the 12<sup>th</sup> of the month. It is a count of jobs by place of work. It does not include self-employed, unpaid volunteer or family workers, domestic workers in households, military personnel and persons who are laid off, on leave without pay, or on strike for the entire reference period.

**Nondurable Goods:** Also known as “soft goods” because they include items manufactured or provided by wholesalers that generally last for only a short period of time (three years or less).

**Seasonally Adjusted:** Data is seasonally adjusted to remove the impact of regular events that occur at the same time every year such as the effect of cold weather on outdoor activities, the Christmas holiday, or the summer influx of youth into the labor market.

**Unemployed:** Those individuals, 16 years of age or older, who do not have a job but are available for work and actively seeking work during the week including the 12<sup>th</sup> of the month. The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days—these, too, are considered unemployed.

**Unemployment Insurance:** Unemployment Insurance is a program for the accumulation of funds paid by employers, to be used for the payment of Unemployment Insurance to workers during periods of unemployment which are beyond their control.

**Unemployment Rate:** The number of persons unemployed expressed as a percentage of the labor force.

**Weekly Benefit Amount:** The amount payable to a claimant for a compensable week of total unemployment.

**Weeks Claimed:** The number of weeks that unemployed workers claimed Unemployment Insurance benefits.

**Weeks Compensated:** The number of weeks for which compensation was actually paid.